



**AGENDA
HUSTON-GALVESTON AREA
COUNCIL
FINANCE AND BUDGET COMMITTEE
MEETING**

**August 20, 2024 9:00 AM
3555 Timmons Ln, Houston TX 77027
Houston, Texas 77027**

1. CALL TO ORDER
2. PUBLIC COMMENT
3. DECLARE CONFLICT OF INTEREST

ACTION

4. 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. WATER QUALITY MANAGEMENT PLAN UPDATE
Request acceptance of the Fiscal Year 2024 H-GAC 604(b) Water Quality Management Plan Update. (Staff Contact: Todd Running)
- b. WEST LAKE HOUSTON BASIN FORESTRY IMPLEMENTATION
Request approval to enter into a contract with the Texas A&M Forest Service to implement forestry elements of watershed protection plans developed for the West Lake Houston basin for a total amount of \$50,000. (Staff Contact: Todd Running)
- c. TRAVEL DEMAND MODELING
Request authorization to contract with firms in the order presented for a contract term of one year with an optional no-cost one year renewal; in an amount not to exceed \$316,217. (Staff Contact: Jochen Floesser)
- d. HGACBUY EMERGENCY MEDICAL, SAFETY, AND RESCUE EQUIPMENT
Request authorization of contracts with respondents for EE11-24 Emergency Medical, Safety, and Rescue Equipment. (Staff Contact: Ronnie Barnes)
- e. COMMUTE SOLUTIONS MARKETING CAMPAIGNS 2024-2025
Request authorization to contract with vendors and partners to conduct marketing campaigns for commute solutions within the Gulf Coast region; total amount is \$600,000. (Staff Contact: Craig Raborn)
- f. TRANSPORTATION PROJECT INFORMATION SYSTEM
Request authorization to negotiate a sole source agreement with EcoInteractive Inc. to develop and implement a new online project information system; total amount of \$650,000 for a term of three years. (Staff Contact: Craig Raborn)
- g. YOUTH PORTAL LICENSING
Request approval to purchase licenses and software support through Launch Pad Careers Inc. for the provision of a youth portal not to exceed \$50,000 per year for up to three years. (Staff Contact: Juliet Stipeche)

- h. QUARTERLY INVESTMENT REPORT - SECOND QUARTER 2024
Request approval of the second quarter 2024 investment report. (Staff Contact: Christina Ordonez-Campos, CPA)
- 5. DISCUSSION
- 6. FINANCE AND BUDGET COMMITTEE
 - a. MONTHLY FINANCIAL REPORT - JULY 2024
Request approval of the monthly financial report ending July 31, 2024. (Staff Contact: Christina Ordonez-Campos)
 - b. BENEFITS INSURANCE COVERAGE RENEWAL 2024-2025 PLAN YEAR
Request approval for the Executive Director to negotiate renewal for benefit coverages with the following providers as noted above, with no changes to medical, dental, vision or life and disability coverage. (Staff Contact: Laura Tomlinson)
- 7. HUMAN SERVICES
 - a. GULF COAST WORKFORCE BOARD 2025 SYSTEM CONTRACTS
Request approval to execute contracts for workforce services with the service providers identified in the attachment for an amount not to exceed \$469,825,000. (Staff Contact: Juliet Stipeche)
- 8. DATA ANALYTICS AND RESEARCH
 - a. ADVANCED FUNDING AGREEMENT - REGIONAL TRANSPORTATION MODELS AND TOOLS
Request authorization to enter into an Advance Funding Agreement with the Texas Department of Transportation in the amount of \$5,500,000 to fund the Regional Transportation Models and Tools Project. (Staff Contact: Jochen Floesser)
- 9. POLICY UPDATE
 - a. H-GAC SPEND DOWN POLICY
Request approval of the Spend Down Policy for all contracts. (Staff Contact: Chuck Wemple)
- 10. REPORTS
 - a. 2024 MID-YEAR REPORT
No action requested. For information only. (Staff Contact: Rick Guerrero)
 - b. EXECUTIVE DIRECTOR'S REPORT
Report on current and upcoming H-GAC activities. (Staff Contact: Chuck Wemple)
- 11. EXECUTIVE SESSION
 - a. EXECUTIVE SESSION – EVALUATION OF H-GAC EXECUTIVE DIRECTOR
The Finance and Budget Committee 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 Sallie Alcorn)

12. ACTION

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: Chair Sallie Alcorn)

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.

WATER QUALITY MANAGEMENT PLAN UPDATE

Background

The Texas Commission on Environmental Quality administers 604(b) water quality planning funds from the U.S. Environmental Protection Agency under the Clean Water Act. As the Governor-designated agency for water quality management planning in this region, H-GAC has had a long-standing contractual agreement with Texas Commission on Environmental Quality to conduct planning and analytical efforts related to water and wastewater quality under this program. The activities of this annual project cover the entire 13-county H-GAC region and are summarized each year in a Water Quality Management Plan Update document. This document becomes part of the State of Texas's Water Quality Management Plan.

Current Situation

The work conducted under this program includes maintaining several wastewater infrastructure databases, facilitating watershed planning efforts, providing staff support for the Natural Resources Advisory Committee, and providing planning assistance to local governments. Highlights of the work conducted in Fiscal Year 2024 include: 1) maintaining and expanding databases of wastewater infrastructure and monitoring data for permitted facilities, 2) performing analyses of wastewater permit limit exceedances, 3) hosting roundtable discussions to discuss attracting new talent to the water workforce and centralizing employment resources, 4) assessing causes, frequencies, and estimated volumes of sanitary sewer overflows, 5) working with the region's Authorized Agents to update location information on over 144,000 permitted on-site sewage facilities, 6) coordinating the repair or replacement failing on-site sewage facilities for qualifying homeowners and providing educational resources on on-site sewage facilities maintenance in coordination with the Coastal Communities project, and 7) providing program support for various watershed-based plans and urban forestry efforts. The Natural Resources Advisory Committee met on August 1, 2024, and voted to recommend this Water Quality Management Plan Update to the Board for review and acceptance. Once accepted by the Board of Directors, the report will be submitted to Texas Commission on Environmental Quality for certification and inclusion in the State's Water Quality Management Plan. The 2024 update can be found on the H-GAC website: <https://www.h-gac.com/water-quality-management-planning>.

Funding Source

N/A

Budgeted

N/A

Action Requested

Request acceptance of the Fiscal Year 2024 H-GAC 604(b) Water Quality Management Plan Update. (Staff Contact: Todd Running)

ATTACHMENTS:

	Description	Type
D	Water Quality Management Plan Summary	Cover Memo
D	Wastewater Treatment Facility Fact Sheet	Cover Memo

2024 WATER QUALITY MANAGEMENT PLAN UPDATE

About the Update

The Water Quality Management Plan Update is completed annually by the Houston-Galveston Area Council (H-GAC) in cooperation with the Texas Commission on Environmental Quality. This report provides an overview of regional wastewater infrastructure and discharge activities from the previous calendar year that impact water quality in our region. Data collected through this annual update are used by numerous planning efforts that H-GAC conducts in collaboration with local government partners, including the Bacteria Implementation Group, Clean Rivers Program, Watershed-Based Plans, and Urban Forestry Efforts.

To view the full draft of the latest Water Quality Management Plan Update, please visit:
<https://www.h-gac.com/water-quality-management-planning>

Regional Wastewater Infrastructure



H-GAC updated the regional database for permitted wastewater treatment facilities, service area boundaries, and outfall locations for 1,398 facilities. Collaborating with the Association of Water Board Directors, H-GAC has hosted roundtables to discuss methods for attracting new talent to the water workforce and centralizing employment resource information.

Analysis of Discharge Monitoring Data



H-GAC evaluated self-reported discharge monitoring report data from the region's domestic wastewater treatment facilities in 2023. Facilities ranged in size from <0.1 MGD to >10 MGD with the most common size (53%) being 0.5 MGD or smaller. Over 95% of all facilities reporting bacteria data were in compliance with single grab effluent limits.

Analysis of Sanitary Sewer Overflows Data



H-GAC examined the locations, frequency, and causes of the 1,447 reported unauthorized discharges from sanitary sewer collection systems or treatment facilities in the region in 2023. Rain/inflow/infiltration was the most common reported cause of events, although lift station failure contributed the highest volume of overflow.

On-Site Sewage Facility Database Update



H-GAC updated a regional database of over 144,000 permitted on-site sewage facilities including historical scanned data from Harris County recently converted to digital records. Using 9-1-1 address data for improved spatial accuracy, H-GAC estimates there are over 220,000 additional unpermitted systems in the region.

REGIONAL WASTEWATER TREATMENT INFRASTRUCTURE

Each year, the Houston-Galveston Area Council prepares a Water Quality Management Plan Update in cooperation with the Texas Commission on Environmental Quality (TCEQ). This report provides an overview of regional wastewater infrastructure and discharge activities that impact water quality in our region. Data collected through this annual update are used by numerous planning efforts that H-GAC conducts in collaboration with local government partners, including the Bacteria Implementation Group, Clean Rivers Program, Total Maximum Daily Load projects, and Watershed Protection Plans.

WHAT'S IN THE UPDATE?

In the FY 2024 Water Quality Management Plan Update, H-GAC analyzed and updated the regional database for permitted wastewater treatment facilities based on data acquired from TCEQ and the United States Environmental Protection Agency between January 1, 2023 and December 31, 2023. This included information on permits, service area boundaries, outfall locations, and discharge monitoring report (DMR) data for permitted wastewater treatment facilities in the region.

BY THE NUMBERS

1,398

Permitted Wastewater Outfalls in the Houston-Galveston Region

1,054

Permitted Wastewater Outfalls in the Houston-Galveston Region Reporting DMR Data

Wastewater Treatment Facilities by Size (Flow in Millions of Gallons Per Day (MGD))

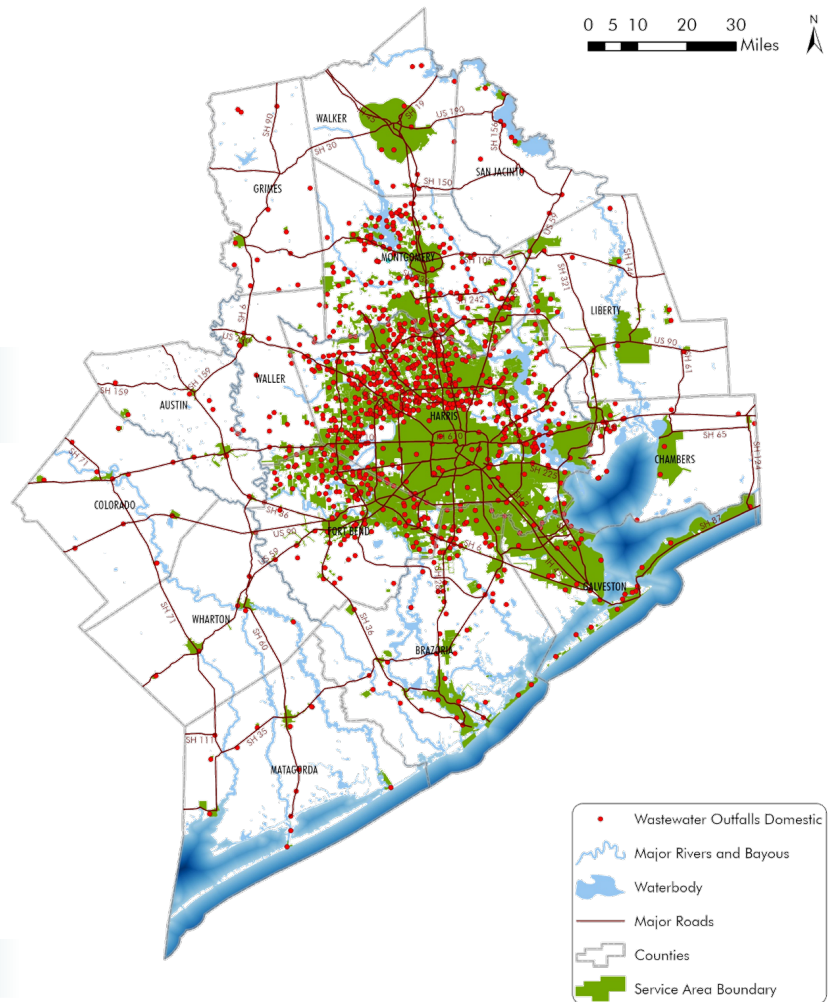
Variable/Intermittent	9.62%
< 0.1 MGD	28.85%
0.1 to 0.5 MGD	24.14%
0.5 to 1 MGD	15.28%
1 to 5 MGD	15.92%
5 to 10 MGD	3.95%
> 10 MGD	2.24%

Total Daily Effluent Discharge (in Gallons)

570,000,000

Bacteria DMR Analysis

2023 Bacteria Single Grab Samples Collected	9,031	Compliance with Bacteria Single Grab Effluent Permit Limits	95.02%
2023 Bacteria Single Grab Sample Permit Exceedances	450		



Funding for this project was provided by the Environmental Protection Agency through Clean Water Act Section 604(b) grants to the Houston-Galveston Area Council, administered by the Texas Commission on Environmental Quality

Contracts:
582-23-40182
582-24-50311



WEST LAKE HOUSTON BASIN FORESTRY IMPLEMENTATION

Background

H-GAC applied for funding from the Texas A&M Forest Service to implement forestry elements indicated in approved watershed protection plans developed with area stakeholders to improve surface water quality in the watersheds of Lake Houston (West Fork San Jacinto River, Lake Creek, Cypress Creek, and Spring Creek). H-GAC will partner with local stakeholders (e.g., City of Conroe) on a series of tree planting events and outreach activities to benefit disadvantaged communities in the project area, and help protect and enhance local communities and waterways by mitigating stormwater, reducing heat island effects, increasing tree canopy, filtering pollutants from runoff, and increasing habitat for wildlife.

Current Situation

Project elements of the two-year grant award will include: 1) working with local stakeholders to review tree planting site recommendations and priorities; 2) planting approximately 200 fifteen gallon, 550 five gallon, and 300 seedling trees throughout priority sites; and 3) expanding public awareness of the benefits of trees for water supply, water quality, and other ecosystem services. The project will start upon signature and end in August 2026. The project will seek to coordinate with local efforts, H-GAC programs, and Texas A&M Forest Service goals in the region.

Funding Source

Texas A&M Forest Service

Budgeted

No, amends H-GAC budget

Action Requested

Request approval to enter into a contract with the Texas A&M Forest Service to implement forestry elements of watershed protection plans developed for the West Lake Houston basin for a total amount of \$50,000. (Staff Contact: Todd Running)

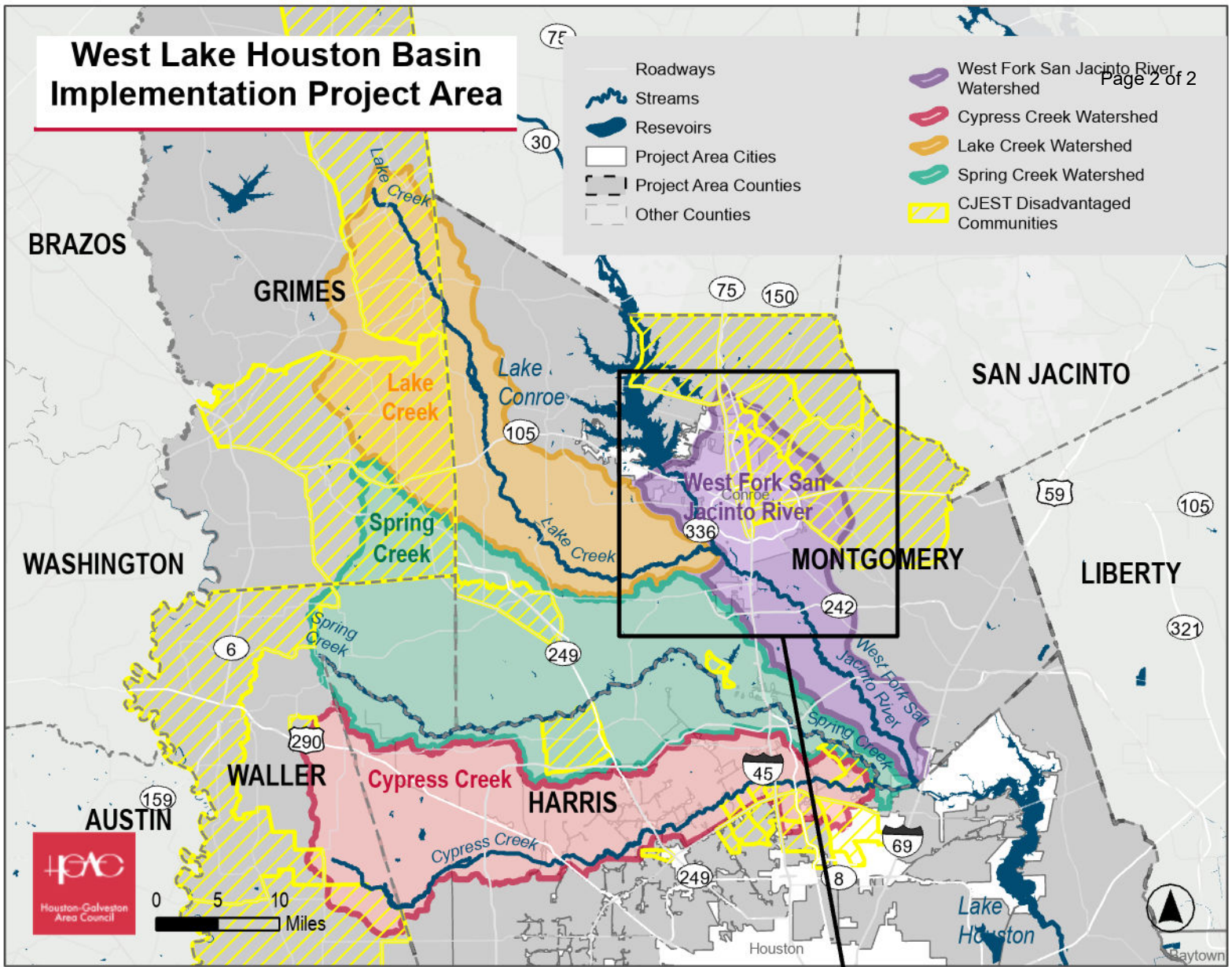
ATTACHMENTS:

	Description	Type
□	West Lake Houston Watersheds Map	Cover Memo

West Lake Houston Basin Implementation Project Area

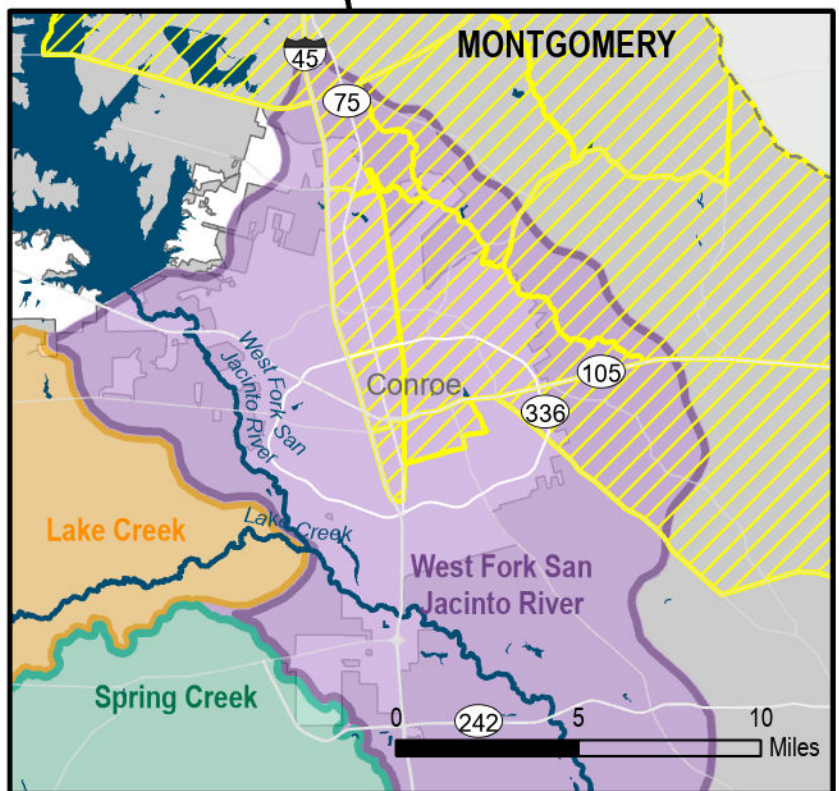
7E

- Roadways
- Streams
- Reservoirs
- Project Area Cities
- Project Area Counties
- Other Counties
- West Fork San Jacinto River Watershed
- Cypress Creek Watershed
- Lake Creek Watershed
- Spring Creek Watershed
- CJEST Disadvantaged Communities



The map above shows the West Fork San Jacinto River, Lake Creek, Spring Creek, and Cypress Creek watershed areas which are included in the Houston Galveston Area Council's Clean Water Act 319(h) grant for implementation of watershed protection plans. Areas covered by yellow lines indicate census tracts identified in the Climate and Economic Justice Screening Tool map as disadvantaged communities.

The map to the right shows a potential focus area for activities outlined in this proposal.



TRAVEL DEMAND MODELING

Background

H-GAC is seeking a qualified contractor for support and assistance to H-GAC staff with the traditional 4-step travel demand model update. This includes reviewing collected traffic data, post processing, preparation, conversion to analysis software, software updates and programming, as well as model data input, validation, and calibration.

H-GAC applies travel demand models to support key transportation plans throughout the H-GAC Metropolitan Planning Organization region. This includes the development of H-GAC's Long-Range Transportation Plan, Transportation Improvement Programs, feasibility analyses for roadways and transit systems, public safety planning, and county and corridor transportation plans. The travel demand models are essential for various transportation-related purposes and are used to reflect post-pandemic travel behavior.

Current Situation

H-GAC issued a competitive, sealed solicitation to solicit qualified contractor(s) for the services requested under TRN24-07 on May 22, 2024, and which closed on June 27, 2024. Two responsive submissions were received and thoroughly evaluated by a committee of representatives from H-GAC. The respondents assembled highly qualified teams of subject matter experts and subcontractors. Both teams are highly qualified and familiar with H-GAC's work and our models, making the qualitative analysis of their proposals highly competitive. Based on the committee's scoring and evaluation of the proposal responses completed on July 23, 2024, the recommendation and rankings are presented below:

1. Cambridge Systematics, Inc.
2. WSP USA, Inc.

Funding Source

Federal

Budgeted

Yes

Action Requested

Request authorization to contract with firms in the order presented for a contract term of one year with an optional no-cost one year renewal; in an amount not to exceed \$316,217. (Staff Contact: Jochen Floesser)

HGACBUY EMERGENCY MEDICAL, SAFETY, AND RESCUE EQUIPMENT

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 twenty five responses for Emergency Medical, Safety, and Rescue Equipment on Thursday, June 13, 2024. The following companies submitted responses:

3M Company	St. Paul, MN
AED One-Stop Shop, LLC	Albuquerque, NM
All Safe Industries, Inc.	Louisville, KY
Innovative Rescue Systems LLC dba AMKUS Rescue Systems	Valparaiso, IN
Atlantic Emergency Solutions, Inc.	Manassas, VA
Cbs Medical Supplies, LLC dba Cbs Dme & Medical Supplies	Spring, TX
Delta Fire & Safety Inc. dba Delta Industrial Service & Supply	Port Neches, TX
EagleAir, Inc.	Greensboro, NC
Fire-Dex Inc. dba Fire-Dex, LLC	Medina, OH
Grace Industries Inc	Fredonia, PA
HAIX North America Inc.	Lexington, KY
HEAT Safety Equipment, LLC	Von Ormy, TX
Howell Rescue Systems, Inc.	Kettering, OH
Industrial Protection Services, LLC	Salem, NH
Lakeland Industries, Inc.	Huntsville, AL
Marine One Corporation dba RescueONE Boats	Southside, AL
Municipal Emergency Services Inc.	Southbury, CT
Metro Fire Apparatus Specialists, Inc.	Houston, TX
MSA Safety Incorporated dba MSA Safety Sales LLC	Cranberry Township, PA
North America Fire Equipment Co dba NAFECO	Decatur, AL
SAFETYMED LLC dba SAFETYMED	Houston, TX
Siddons-Martin Emergency Group, LLC	Houston, TX
Howmedica Osteonics Corp dba Stryker Sales, LLC	Portage, MI
Team Equipment Inc.	New Port Richey, FL
Unipak Corp.	West Long Branch, NJ

Current Situation

This contract is a combination of two existing contracts in our portfolio, Emergency Medical & Emergency Rescue Equipment. All responses have been evaluated by H-GAC staff. Twenty-five respondents are being recommended for award. Request authorization for contracts representing the best value for product items as summarized in the Award Recommendation Table, and if applicable, to extend contract assignments to other authorized entities during the contract period.

Funding Source

Participating local government purchasers

Budgeted

N/A

Action Requested

Request authorization of contracts with respondents for EE11-24 Emergency Medical, Safety, and Rescue Equipment. (Staff Contact: Ronnie Barnes)

ATTACHMENTS:

	Description	Type
D	EE11-24 Award Recommendation Table	PDF

HGACBuy Award Recommendation Table

Emergency Medical, Safety, and Rescue Equipment

EE11-24

Award Recommendation	Categories
3M Company; Metro Fire Apparatus Specialists, Inc.; Municipal Emergency Services Inc.	C
AED One-Stop Shop, LLC	A
All Safe Industries, Inc.	A, B, C
Innovative Rescue Systems LLC dba AMKUS Rescue Systems	C
Atlantic Emergency Solutions, Inc.	B, C
Cbs Medical Supplies LLC dba Cbs DME & Medical Supplies	A
Delta Fire & Safety Inc. dba Delta Industrial Service & Supply	A, B, C
EagleAir, Inc.	C
Fire-Dex Inc. dba Fire-Dex, LLC; 1 st Due Emergency Response Solutions LLC; America's Bravest Equipment Co, LLC; Bauer Compressors Inc.; Firefighter One LLC; Municipal Emergency Services Inc.; Metro Fire Apparatus Specialists, Inc.; New Mexico Fire Safety and Welding Company LLC	B
Grace Industries Inc.	B
HAIX North America Inc.	B
HEAT Safety Equipment, LLC	B
Howell Rescue Systems, Inc.	C
Industrial Protection Services, LLC	B, C
Lakeland Industries, Inc.	B
Marine One Corporation dba RescueONE Boats	C
Municipal Emergency Services Inc.	C
Metro Fire Apparatus Specialists, Inc.	A, B, C
MSA Safety Incorporated dba Globe Manufacturing Company LLC, and dba MSA Safety Sales LLC	B, C
North America Fire Equipment Co. Inc. dba NAFECO	A, B, C
SAFETYMED LLC dba SAFETYMED	A, B
Siddons-Martin Emergency Group, LLC; Black Diamond Group, Inc.; Task Force Tips Holdings LLC dba Task Force Tips LLC; Trident Emergency Products, LLC	A, B, C

HGACBuy Award Recommendation Table

Emergency Medical, Safety, and Rescue Equipment

EE11-24

Howmedica Osteonics Corp dba Stryker Sales, LLC	A
Team Equipment Inc.	C
Unipak Corp.	B
Award Categories:	
A – Emergency Medical Equipment	
B – Emergency Safety Equipment	
C – Emergency Rescue Equipment	

COMMUTE SOLUTIONS MARKETING CAMPAIGNS 2024-2025

Background

The Houston-Galveston Area Council seeks to implement multiple marketing campaigns for Commute Solutions from August 2024 to December 2025. The goal of these campaigns is to increase awareness about the availability of the regional transportation demand management program and the various commute options that exist in the region to help reduce congestion and improve air quality. These campaigns will focus on the eight-county area that is in non-attainment status for certain air quality standards.

Current Situation

The marketing campaigns will include multiple channels such as digital, print, radio/tv, and in person/on-ground campaign support with partners and vendors to reach organizations and residents. The goal of these campaigns is to increase awareness about and program participation in the region's transportation options. All marketing will be coordinated by H-GAC Staff. A list of potential vendors and estimated budgets for each marketing type is listed below:

Type	Amount	Potential Vendors/Partners
Print/Digital Advertising	\$100,000	Houston Chronicle, Houston Business Journal, CityBook, Google; Cox Media – KKBQ, KTHT, iHeart – KOVE, KAMA, KBXX, KMJQ, KODA, KQBT, KTBZ, KRBE, Texas Southern University, University of Houston, Community Impact, LaVoz
Social Media	\$75,000	Facebook, Twitter, Instagram, LinkedIn
Billboards	\$75,000	Outfront, SignAd, ClearChannel, Lamar
Radio/TV/Streaming	\$100,000	KTRK, KPRC, KIAH-TV; KRIV, Cox Media – KKBQ, KTHT, iHeart – KOVE, KAMA, KBXX, KMJQ, KODA, KQBT, KTBZ, KRBE, Texas Southern University, University of Houston, Spotify, You Tube
On Ground Campaign Support	\$250,000	Greater Houston Partnership, HR Houston, Texas Parking and Transportation Association, METRO, The Woodlands Township, TXDOT ConnectSmart, The City of Conroe, Harris County Transit, Island Transit, Gulf Coast Transit District, Colorado Valley Transit, Brazos Transit District, Fort Bend Transit,

Campaigns will occur between August 2024 and December 2025. These efforts are included in the Transportation Improvement Program and are funded through federal transportation funds.

Funding Source

Federal

Budgeted

Yes

Action Requested

Request authorization to contract with vendors and partners to conduct marketing campaigns for commute solutions within the Gulf Coast region; total amount is \$600,000. (Staff Contact: Craig Raborn)

TRANSPORTATION PROJECT INFORMATION SYSTEM

Background

The current system for the operation and management of the Transportation Improvement Program, TELUS, was created in 2006 and is reaching the end of its serviceable life. Additionally, it lacks many features necessary to effectively administer the Metropolitan Planning Organization's project selection, project development, programming, and long-range project listing responsibilities. Staff has worked to identify specific features and new solutions to address these needs.

Current Situation

EcoInteractive is proposing to use fully developed off-the-shelf software that can be quickly configured to meet H-GAC's specific needs. EcoInteractive has had a long history of real-world success, with a 20+ years proven track record implementing solutions for managing Transportation Improvement Program, long range plans, project solicitation, project delivery, and transportation project data. The "ProjectTracker" platform is currently used in 24 states by over 3,000 secure users to manage over \$480B in transportation projects.

Development of a Transportation Improvement Program, 10-year program, long range plan, project solicitation, and project delivery tracking database will provide more efficient project tracking, reduce administrative burdens, reduce duplicative reviews and project data entry, improve public presentation of these fundamental Metropolitan Planning Organization products, and align with Transportation Improvement Program standardization efforts in the State. In addition, it will serve as the single source of information for all transportation projects including planning and project selection and help more efficiently track project delivery milestones and funding obligations to improve overall project outcomes.

Funding Source

Federal

Budgeted

Yes

Action Requested

Request authorization to negotiate a sole source agreement with EcoInteractive Inc. to develop and implement a new online project information system; total amount of \$650,000 for a term of three years. (Staff Contact: Craig Raborn)

YOUTH PORTAL LICENSING

Background

In 2023 the Board authorized staff to contract with Launchpad Careers, Inc. to develop an online portal for storing, matching and reporting on work-based learning worksites and youth customers across the Workforce Solutions Gulf Coast system. Work experience opportunities offer numerous benefits that contribute to the personal, professional, and social development of young people. The portal is used to support various program initiatives such as Summer Earn and Learn.

Current Situation

Launchpad operates on a Salesforce platform which requires we purchase annual licenses. This includes community logins and licenses for Workforce Solutions staff. We propose continue paying for licenses which will allow us to support additional work-based learning opportunities by giving portal access to effectively manage youth customers.

Funding Source

Texas Workforce Commission

Budgeted

Yes

Action Requested

Request approval to purchase licenses and software support through Launch Pad Careers Inc. for the provision of a youth portal not to exceed \$50,000 per year for up to three years. (Staff Contact: Juliet Stipeche)

QUARTERLY INVESTMENT REPORT - SECOND QUARTER 2024

Background

N/A

Current Situation

N/A

Funding Source

N/A

Budgeted

N/A

Action Requested

Request approval of the second quarter 2024 investment report. (Staff Contact: Christina Ordonez-Campos, CPA)

ATTACHMENTS:

	Description	Type
▣	Investment Report Ending June 30, 2024	Cover Memo

Houston Galveston Area Council
Investment Report
For Quarter Ending June 30th, 2024

	Beginning Balance Jan. 1	FY24 Interest Earned	Deposits / Withdrawal	Current Balance / Market Value June 30	Percent of Portfolio
Certificate of Deposit Yield 4.73% Chase Bank	\$ 1,098,933	\$ 24,837	\$ (1,123,770)	-	0.00%
TexPool Prime Account Yield 5.46% Book Value \$8,500,000	8,823,058	244,246	-	9,067,304	99.94%
Money Market Fund Yield 5.21% BOA	4,973	131	-	5,104	0.06%
	\$ 9,926,965	\$ 269,214	\$ (1,123,770)	\$ 9,072,409	100.00%

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



Arathi Nayak
Investment Officer



Christina Ordóñez-Campos
Chief Financial Officer

Houston Galveston Area Council - Component Unit
Investment Report
For Quarter Ending June 30th, 2024

	Beginning Balance Jan. 1	FY24 Interest Earned	Current Balance / Market Value June 30	Percent of Portfolio
Local Development Corporation				
Certificate of Deposit (Maturity 7/1/2024) Yield 4.46% Chase Bank	\$ 325,437	\$ 7,286	\$ 332,723	5.54%
Corporation for Regional Excellence				
Certificate of Deposit (Maturity 7/3/2024) Yield 4.05% Chase Bank	500,000	5,723	505,723	8.43%
Gulf Coast 911 Regional District				
Certificate of Deposit (Maturity 7/8/2024) Yield 4.18% Chase Bank	5,052,000	111,499	5,163,499	86.03%
	\$ 5,877,437	\$ 124,508	\$ 6,001,945	100.00%

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



 Arathi Nayak
 Investment Officer



 Christina Ordóñez-Campos
 Chief Financial Officer

MONTHLY FINANCIAL REPORT - JULY 2024

Background

N/A

Current Situation

N/A

Funding Source

N/A

Budgeted

N/A

Action Requested

Request approval of the monthly financial report ending July 31, 2024. (Staff Contact: Christina Ordonez-Campos)

ATTACHMENTS:

	Description	Type
▣	H-GAC Monthly Financial Report July 2024	Cover Memo



HOUSTON GALVESTON AREA COUNCIL (H-GAC)

FY24 Monthly Financial Report

For Month Ending July 31, 2024

Prepared on August 7th, 2024

Esteemed H-GAC Board of Directors and Executive Director Wemple, please find attached the financial report for last month. The information contained within is intended for managerial reporting purposes. All figures are unaudited and subject to change. Should you have any questions, please feel free to let me or a member of my staff know. Respectfully submitted, Christina Ordóñez-Campos, CPA - Chief Financial Officer.

SUMMARY OF KEY CHANGES

REVENUES

- > Federal pass-through funds come primarily from the Department of Energy and the Environmental Protection Agency. Both programs are managed by H-GAC's Transportation department. The implementation schedules for these programs are taking longer than anticipated.
- > The Energy Corporation's fee collection is progressing well and has exceeded projected levels.
- > The Gulf Coast Regional 911 has received the full \$3.5 million approved for H-GAC under Proposition 8. We have recognized \$400,000, which we plan to spend in 2024, while the remaining balance has been recorded as unearned revenue.

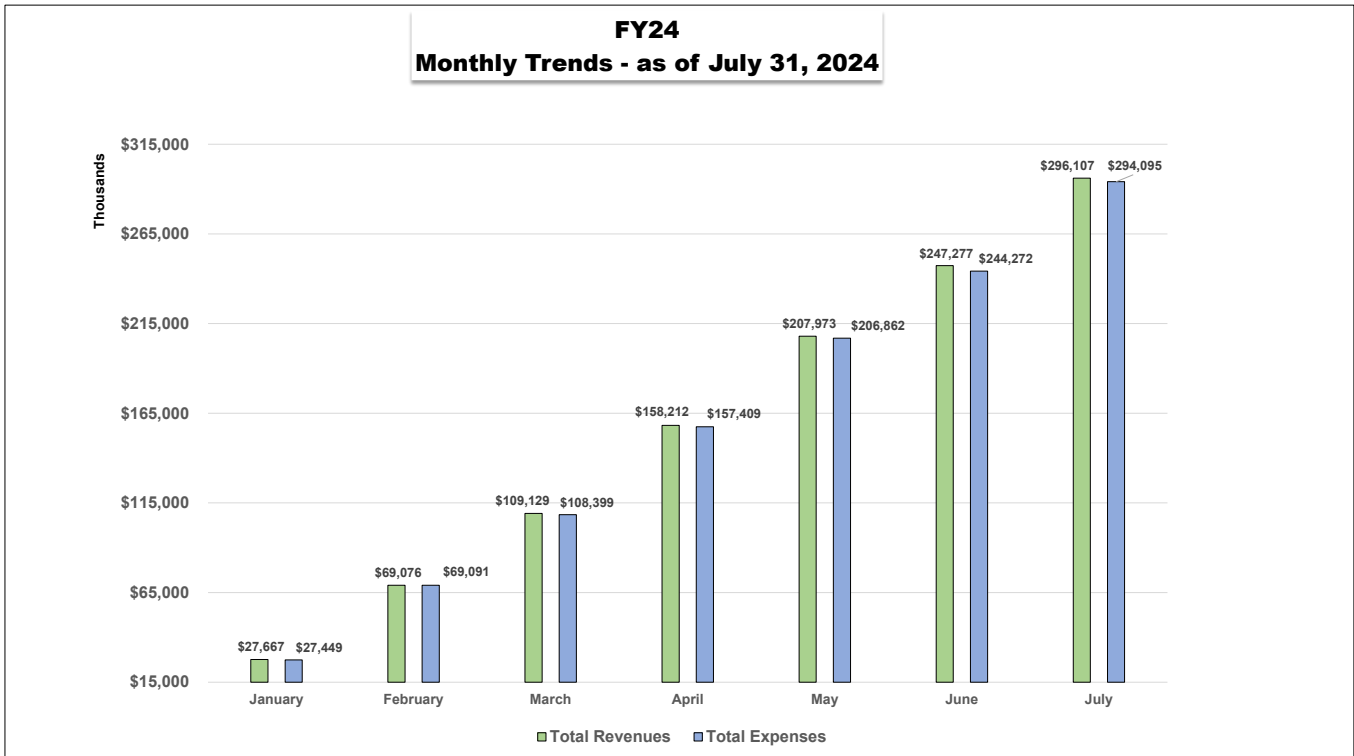
*** Please note that the budget adjustments made during the mid-year revision are reflected on this report. ***

EXPENDITURES

- > Personnel expenditures continue to stay within budget as we fill vacant positions. Currently we have spent 53% of 58.33% of the year that has elapsed so far.
- > Consultant expenses have continued to increase in July and this trend will continue as several grants near their end cycles.
- > Travel expenses are still below projections, however, we anticipate a significant increase in the coming months.

*** Please note: the financial activity outlined above and in the report falls within the past trends observed in H-GAC's operations and is not out of the ordinary. ***

Monthly Trends Chart



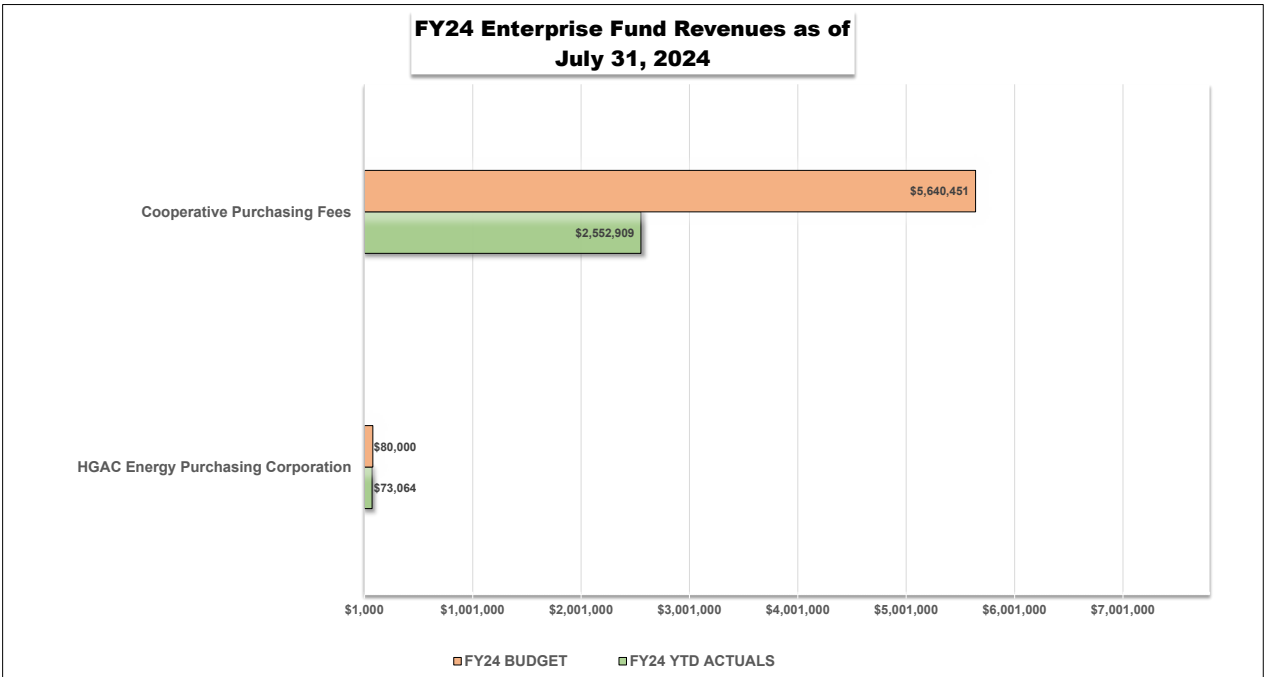
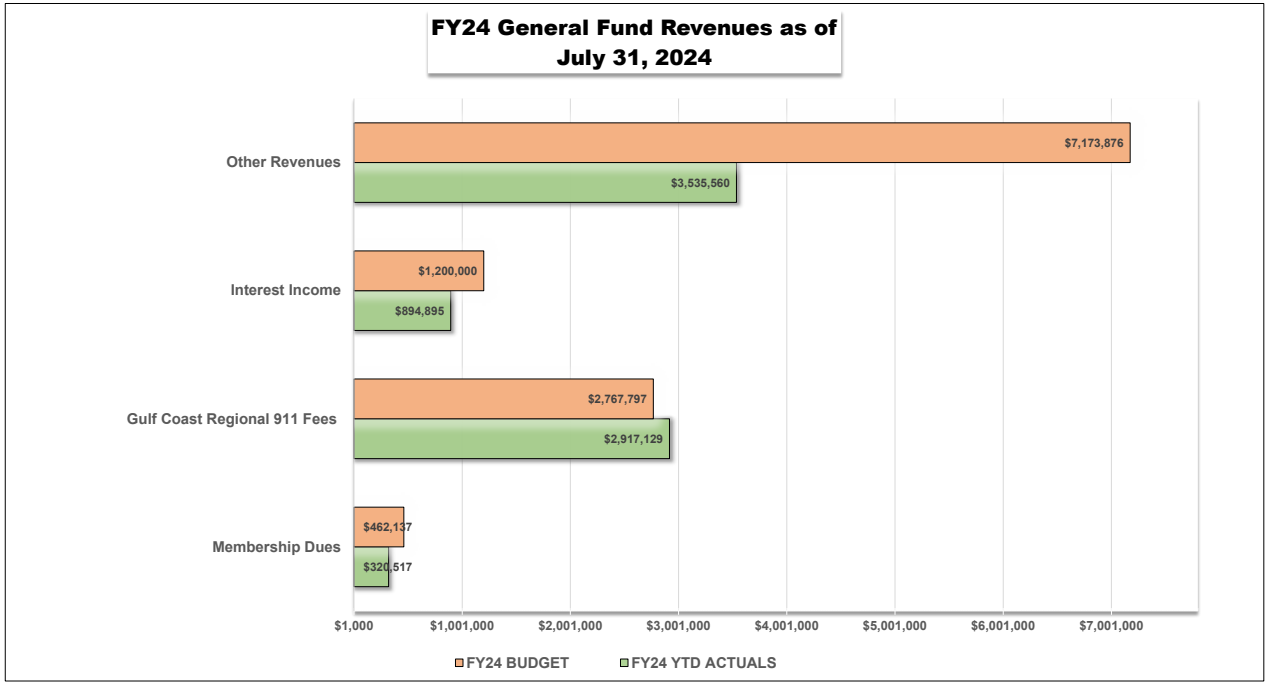
HOUSTON GALVESTON AREA COUNCIL (H-GAC)

FY24 Monthly Trends Report

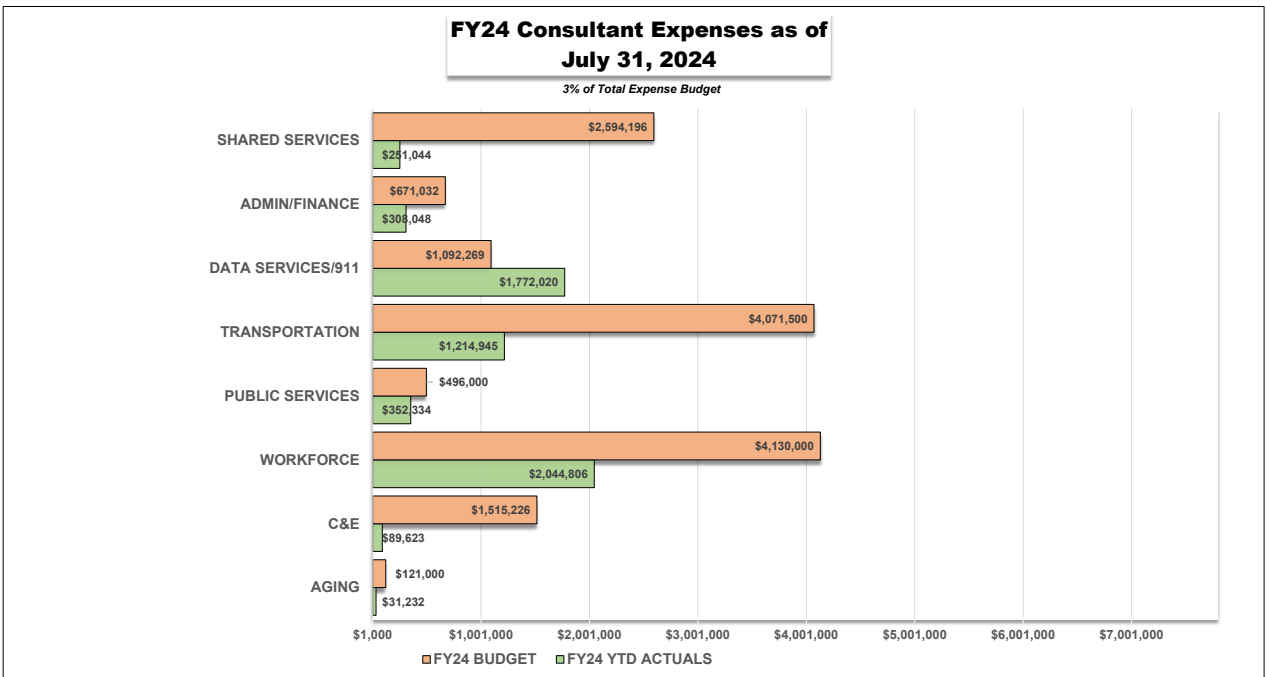
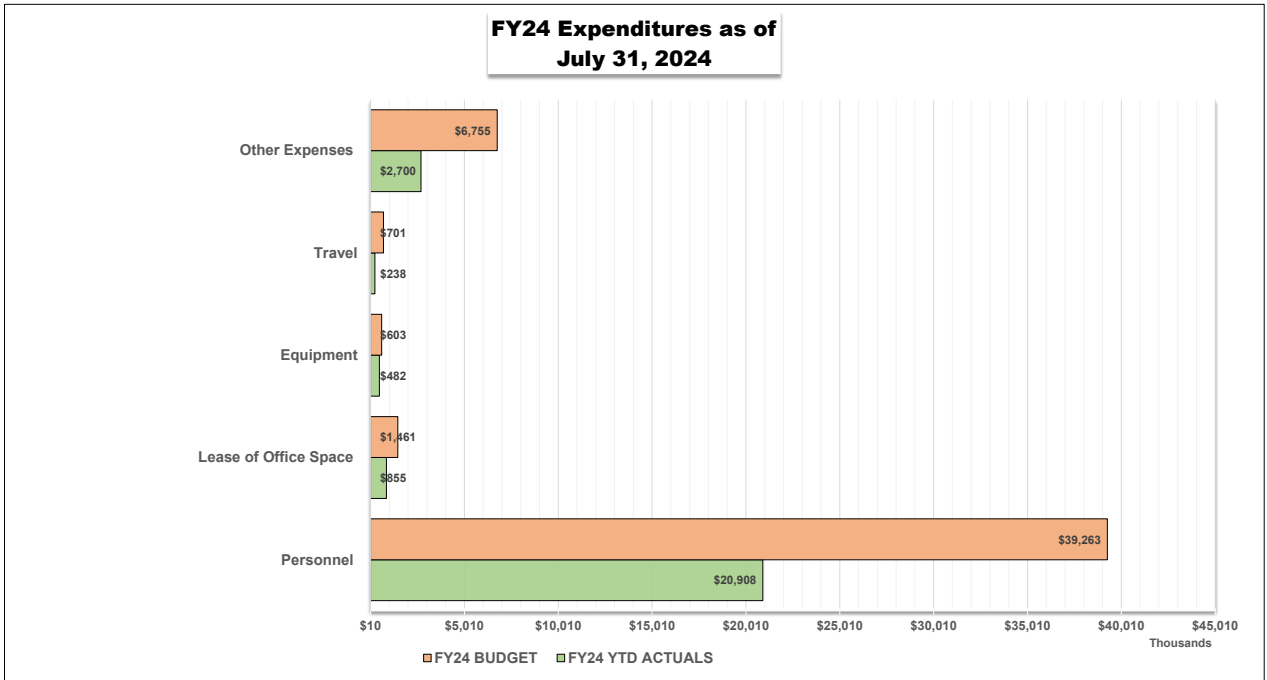
For Month Ending July 31, 2024

	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024
Revenues							
General & Enterprise Fund Revenues							
Membership Dues	\$ 189,246	\$ -	\$ 14,595	\$ 51,254	\$ 62,252	\$ 200	\$ 2,970
HGAC Energy Purchasing Corporation	3,255	26,686	2,224	16,538	10,131	6,084	8,146
Cooperative Purchasing Fees	109,150	511,950	186,188	767,506	384,965	235,098	358,053
Gulf Coast Regional 911 Fees	309,252	71,612	762,248	229,489	470,562	2,093,198	(1,019,232)
Interest Income	118,379	109,411	121,458	143,933	131,337	134,782	135,595
Other Revenues	172,202	1,466,466	80,450	476,292	632,026	548,270	159,854
Total General & Enterprise Fund Revenues	\$ 901,483	\$ 2,186,125	\$ 1,167,163	\$ 1,685,013	\$ 1,691,273	\$ 3,017,631	\$ (354,613)
Special Revenue Fund							
Federal Grants	\$ 7,032	\$ 12,085	\$ 123,566	\$ 20,402	\$ 22,085	\$ 24,442	\$ 10,350
State Grants	26,758,098	39,211,007	38,762,715	47,376,896	48,048,443	36,261,419	49,174,091
Total Special Revenue Fund Revenues	\$ 26,765,130	\$ 39,223,091	\$ 38,886,281	\$ 47,397,298	\$ 48,070,528	\$ 36,285,860	\$ 49,184,442
Total Revenues	\$ 27,666,613	\$ 41,409,216	\$ 40,053,444	\$ 49,082,311	\$ 49,761,801	\$ 39,303,491	\$ 48,829,828
Expenditures							
Personnel	\$ 3,072,047	\$ 3,129,111	\$ 2,889,904	\$ 3,076,863	\$ 3,133,194	\$ 2,935,699	\$ 2,671,050
Pass-through Funds - Grant	23,403,312	37,448,526	35,343,961	44,343,633	44,324,319	32,742,985	45,240,570
Consultant and Contract Services	138,372	687,224	671,183	779,377	1,370,424	1,059,782	1,357,689
Lease of Office Space	119,958	109,693	134,809	122,194	122,162	122,365	123,441
Equipment	11,352	3,246	246,854	48,690	99,516	25,098	47,713
Travel	27,362	18,646	21,380	49,507	32,082	40,390	48,581
Other Expenses	676,879	245,283	-	589,848	370,796	484,012	333,665
Total Expenditures	\$ 27,449,281	\$ 41,641,729	\$ 39,308,091	\$ 49,010,112	\$ 49,452,493	\$ 37,410,330	\$ 49,822,708
Excess of Revenues Over(Under) Expenditures	\$ 217,332	\$ (232,513)	\$ 745,353	\$ 72,199	\$ 309,308	\$ 1,893,161	\$ (992,880)

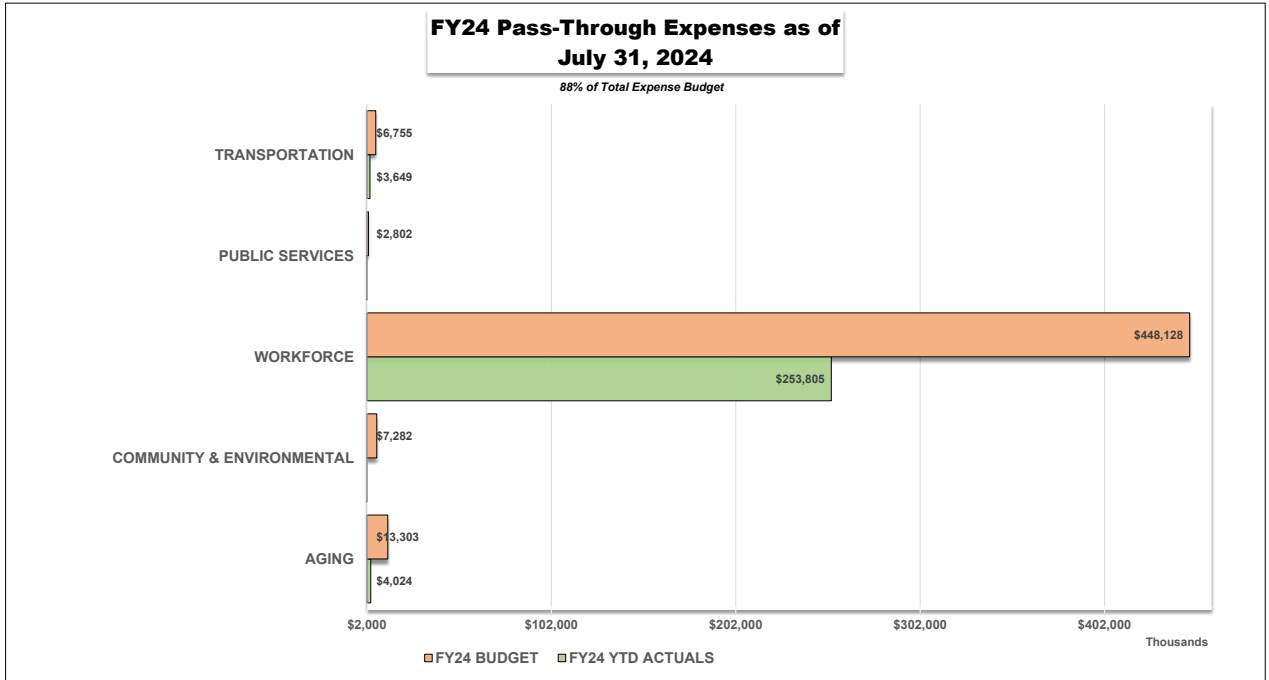
Budget to Actual Charts



Budget to Actual Charts



Budget to Actual Charts



HOUSTON GALVESTON AREA COUNCIL (H-GAC)

FY24 Budget to Actual Report - All Funds

For Month Ending July 31, 2024

58.33% of Year Elapsed

	FY24 Budget	FY24 Year-to-Date Actuals	FY24 % of Actuals to Budget	FY23 Budget	FY23 Year-to-Date Actuals	FY23 % of Actuals to Budget
Revenues						
General & Enterprise Fund Revenues						
Membership Dues	\$ 462,137	\$ 320,517	69%	\$ 462,136	\$ 443,691	96%
HGAC Energy Purchasing Corporation	80,000	73,064	91%	75,000	82,861	110%
Cooperative Purchasing Fees	5,640,451	2,552,909	45%	5,500,000	2,636,958	48%
Gulf Coast Regional 911 Fees	2,767,797	2,917,129	105%	2,605,121	2,443,897	94%
Interest Income	1,200,000	894,895	75%	200,000	167,054	84%
Other Revenues	7,173,876	3,535,560	49%	7,781,387	4,533,144	58%
Total General & Enterprise Fund Revenues	\$ 17,324,261	\$ 10,294,074	59%	\$ 16,623,644	\$ 10,307,605	62%
Special Revenue Fund						
Federal Grant	\$ 695,000	\$ 219,962	32%	\$ 200,000	\$ 107,877	54%
State Grants	523,305,764	285,592,669	55%	474,015,106	227,882,602	48%
Total Special Revenue Fund Revenues	\$ 524,000,764	\$ 285,812,631	55%	\$ 474,215,106	\$ 227,990,479	48%
Total Revenues	\$ 541,325,025	\$ 296,106,705	55%	\$ 490,838,750	\$ 238,298,084	49%
Expenditures						
Personnel	\$ 39,263,214	\$ 20,907,868	53%	\$ 34,141,958	\$ 18,110,470	53%
Pass-through Funds - Grant	478,270,303	262,847,305	55%	431,342,942	208,208,016	48%
Consultant and Contract Services	14,691,223	6,064,052	41%	15,392,991	4,731,399	31%
Lease of Office Space	1,461,237	854,622	58%	1,827,797	1,059,183	58%
Equipment	602,696	482,469	80%	4,943,200	2,216,607	45%
Travel	700,865	237,948	34%	687,449	190,556	28%
Other Expenses	6,754,873	2,700,482	40%	4,938,555	2,648,450	54%
Total Expenditures	\$ 541,744,411	\$ 294,094,746	54%	\$ 493,274,892	\$ 237,164,681	48%
Excess of Revenues Over(Under) Expenditures	\$ (419,386)	\$ 2,011,959		\$ (2,436,142)	\$ 1,133,403	
Beginning Fund Balance (all funds) - Jan. 1 (1)	\$ 43,468,636	\$ 43,468,636		\$ 40,013,176	\$ 40,013,176	
Ending Fund Balance (all funds) - July 31 (2)	\$ 43,049,250	\$ 45,480,595		\$ 37,577,034	\$ 41,146,579	

(1) Jan. 1, 2024 beginning fund balance is based on the 2023 ACFR which was presented during the May 2024 Board.

(2) All ending fund balances are as of July 31 for each year.

BENEFITS INSURANCE COVERAGE RENEWAL 2024-2025 PLAN YEAR

Background

H-GAC analyzes its employee benefits package on an annual basis to provide the best coverage available, while also competing for the best rates possible. Historically, the H-GAC Board has approved medical, dental, vision, voluntary life, and long-term disability coverage for employees. Recognizing that employees have a wide range of needs when purchasing health care benefits, H-GAC has traditionally provided three plans from which to choose. H-GAC employees are requested to contribute nominally to their coverage for two of the plans available.

Current Situation

Medical Coverage

H-GAC solicited proposals for health care benefits for its employees with the assistance of Alliant Insurance Services. While H-GAC’s claim rates have remained consistent with prior years, the inflation of medical care costs has impacted the rate quotes from all carriers. H-GAC received proposals from its current provider, from BlueCross BlueShield of Texas, and UnitedHealthcare.

Both proposers offered different plan designs and three tiers of coverage. Both providers also quoted rates with the current plan design and a modified plan design. Switching carriers would result in disruption of doctors and prescription plans.

Dental Coverage

H-GAC received proposals from three carriers for dental coverage. These carriers include MetLife, UnitedHealthcare, and Delta Dental. Our current provider, MetLife, proposed a much more favorable rate renewal, with consistent, strong in-network access and coverage.

The following charts outline the proposals for the medical and dental renewal rates:

Medical Coverage		
	BCBSTX Current	BCBSTX Renewal/Proposal
Total Annual Cost	3,752,434.00	4,015,104.34
Employer Cost	2,953,252.00	3,136,282.72
Employee Cost	799,182.00	878,821.62
Dental Coverage		
	MetLife Current	MetLife Renewal
Total Annual Cost	195,896.28	207,080.88
Employer Cost	108,791.86	114,945.59
Employee Cost	87,104.42	92,135.29

Medical & Dental Contributions
(in dollars by month)

Plan	Employee Only		Employee + Spouse		Employee + Children		Employee + Family	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Preferred Provider Organization (PPO)	84.80	104.32	913.88	977.85	486.19	499.24	1,101.35	1,158.77
Consumer Driven Health Plan (CDHP)	0.00	0.00	900.61	931.53	479.64	496.34	1,101.52	1,144.71
Health Maintenance Organization (HMO)	0.00	22.07	736.24	773.71	368.90	387.91	862.24	906.41
Dental PPO	0.00	0.00	62.31	62.31	57.85	57.85	129.07	129.07
Dental HMO	0.00	0.00	15.58	15.58	13.35	13.35	28.93	28.93

Funding Source

N/A

Budgeted

Yes

Action Requested

Request approval for the Executive Director to negotiate renewal for benefit coverages with the following providers as noted above, with no changes to medical, dental, vision or life and disability coverage. (Staff Contact: Laura Tomlinson)

GULF COAST WORKFORCE BOARD 2025 SYSTEM CONTRACTS

Background

Workforce Solutions Gulf Coast operates as a comprehensive workforce development system serving the Houston-Galveston region. Its primary goal is to connect employers with qualified job seekers and to provide individuals with the resources they need to achieve and sustain employment.

Each year we contract with service providers for the operation of Workforce Solutions, the Gulf Coast Workforce Board's operating affiliate. These contracts are competitively procured, and the Workforce Board can authorize annual contracts with organizations for up to four years. Contract renewals depend upon performance, availability of dollars, and authorization from both the Workforce Board and the H-GAC Board of Directors.

Current Situation

At its August 6th meeting, the Workforce Board approved contracts with the providers listed in the attached chart. These contracts cover operations for Career Offices, Employer Engagement, Financial Aid Support Center, Financial Aid Payment Office, Early Childhood Quality, Youth Services, Vocational Rehabilitation Payrolling Services, and Communications and Outreach services. A competitive procurement process for select parts of the system is planned for early 2025.

Workforce Solutions Gulf Coast offers a wide range of services to job seekers and employers in the Houston-Galveston region. For job seekers, services include job search assistance, career development, training and education programs, early education child care, unemployment insurance guidance, veteran services, and youth programs. Employers benefit from recruitment support, employee training, labor market information, and layoff assistance. These services are designed to strengthen the region's workforce by connecting individuals with opportunities and helping businesses build a skilled and capable workforce.

With these funds, our goals include:

- Serving at least 32,000 businesses and 200,000 individuals.
- Ensuring that at least 78% of individuals enter employment.
- Increasing earnings for at least 37% of participants.
- Helping at least 76% of individuals pursuing education earn a credential.
- Supporting approximately 25,000 families and 50,000 children with early education services.

The recommendations for Workforce Solutions 2025 service provider contracts are detailed in the attached document.

Funding Source

Texas Workforce Commission

Budgeted

Yes

Action Requested

Request approval to execute contracts for workforce services with the service providers identified in the attachment for an amount not to exceed \$469,825,000. (Staff Contact: Juliet Stipeche)

ATTACHMENTS:

	Description	Type
D	Gulf Coast Workforce Board System Contracts	Table

Gulf Coast Workforce Board 2025 System Contracts

<u>Service Provider</u>	<u>Requested Amount</u>
Career Offices	
BakerRipley	27,000,000
Interfaith of the Woodlands	20,000,000
Equus	7,000,000
Employer Engagement	
SERCO	9,000,000
Next Generation Youth	
SER-Jobs	1,675,000
Alliance of Community Assistance Min. (ACAM)	1,525,000
Financial Aid Support Office	
Equus	10,500,000
Financial Aid Payment Office	
BakerRipley	380,000,000
Early Childhood Quality	
UT Health Science Center	11,000,000
Payrolling Service for Vocational Rehabilitation	
ProSource Solutions	1,225,000
Outreach and Communications	
Outreach Strategist	900,000
Total Request	469,825,000

ADVANCED FUNDING AGREEMENT - REGIONAL TRANSPORTATION MODELS AND TOOLS

Background

H-GAC develops sophisticated, data-driven, multimodal transportation scenario planning tools, utilizing the latest available regional land use data, transportation data, and modeling techniques to address variabilities associated with policy changes, emerging technologies, telework, safety measures, resilience, economic impacts, and population dynamics.

These tools are designed to offer diverse performance metrics that support various objectives. Among them are: reinforce decision-making processes, analyze policies, assess the impact of new technologies, consider trends in telework, strengthen resilience and safety measures, conduct comprehensive modeling, and encourage stakeholder collaboration within the transportation planning and policy development processes. The regional transportation models and tools will cover the Metropolitan Planning Organization's eight counties.

Current Situation

On November 17th, 2023, the H-GAC Transportation Policy Council, under the proposed revision to the 2023-2026 Transportation Improvement Program and 2024 Regional Transportation Plan, approved the Regional Transportation Models and Tools Project (MPO ID 19006) for FY 2024 with \$5,500,000 of Federal Surface Transportation Block Grant (STBG) funds.

The Texas Department of Transportation requires that H-GAC seek authorization to receive the Surface Transportation Program Metropolitan Mobility fund and to enter into a Local Agreement with the Texas Department of Transportation to utilize the fund through the signing of the attached resolution.

Funding Source

Federal

Budgeted

Yes

Action Requested

Request authorization to enter into an Advance Funding Agreement with the Texas Department of Transportation in the amount of \$5,500,000 to fund the Regional Transportation Models and Tools Project. (Staff Contact: Jochen Floesser)

H-GAC SPEND DOWN POLICY

Background

The Spend Down Policy is being introduced to strengthen our contracts performance and tracking by providing the tools and guidance necessary for our teams to monitor the timely expenditure of grant funds.

The Spend Down Policy will also provide a clear and consistent process for and ensuring that funds awarded to our agency remain in the region and are not returned to our state and federal funding partners, which addresses concerns expressed by the Board regarding this issue.

Current Situation

The Spend Down Policy has undergone legal review, but may be changed or expanded in the future.

A similar process will be developed for our affiliate organizations, including but not limited to the Metropolitan Planning Organization (MPO) for Transportation and the Gulf Coast Economic Development District (GCEDD).

Funding Source

N/A

Budgeted

N/A

Action Requested

Request approval of the Spend Down Policy for all contracts. (Staff Contact: Chuck Wemple)

ATTACHMENTS:

	Description	Type
	Proposed H-GAC Spend Down Policy	Cover Memo

H-GAC SPEND DOWN POLICY

Within thirty (30) days of Contract execution Contractor/Subrecipient shall provide H-GAC with a plan that identifies anticipated expenditures under the Contract for each quarter in which the Contract is in effect (the “Spend Down Plan”). The Spend Down Plan shall have sufficient detail to clearly show Contractor’s/Subrecipient’s plan for using the funds provided under the Contract and should note reasons for projected changes in the level of expenditures over the term of the Contract. The Contractor/Subrecipient shall update the Spend Down Plan at the end of each quarter during the term of the Contract or more frequently if circumstances have changed in a way that affects the Spend Down Plan or if requested by H-GAC.

The Contractor/Subrecipient shall monitor its expenditures under the Contract monthly and within 10 days of the end of each month, notify H-GAC if it expects expenditures under the Contract to be less than 75% of the expenditures shown for that quarterly period in the Spend Down Plan. In such event, Contractor/Subrecipient must provide H-GAC with a rebudgeting plan which fully explains how Contractor will be able to use all funds available under the Contract by the end of the Contract term or by a later Contract date, if extension of the Contract is permitted by the funding source and approved by H-GAC in its sole discretion.

H-GAC may approve the rebudgeting plan (with or without required changes) or reject the rebudgeting plan in its sole discretion. If H-GAC approves the rebudgeting plan, Contractor shall submit a revised Spend Down Plan incorporating the revised budget and proceed with work under the Contract and Spend Down Plan.

If Contractor/Subrecipient fails in any quarter to spend at least 75% of the expenditures specified in its Spend Down Plan and has not obtained H-GAC approval of a rebudgeting plan, H-GAC shall have the right to terminate the Contract for cause in accordance with the Contract termination procedures and reallocate the remaining funds to other allowable programs or recipients.

2024 MID-YEAR REPORT

Background

Twice per year, H-GAC produces a report on agency productivity and performance.

Current Situation

The 2024 Mid-Year Report reflects planned versus actual progress at this point in the year. The report is based upon planned outcomes and performance measures included in the 2024 H-GAC Budget and Service Plan. The report also includes an analysis of progress made toward achieving goals and objectives.

Funding Source

N/A

Budgeted

N/A

Action Requested

No action requested. For information only. (Staff Contact: Rick Guerrero)

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 sixth 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 Finance and Budget Committee 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 Sallie Alcorn)

EVALUATION OF H-GAC EXECUTIVE DIRECTOR

Background

Chuck Wemple has completed his sixth 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 and any adjustments to compensation.

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 Sallie Alcorn)