



Advisory Committee: Minutes of Regular Meeting – June 24, 2014

IN ATTENDANCE:

Gilbert A. Herrera, Chair – **Present**

Jeri Brooks – **Present**

Frances Castaneda Dyess – Absent

Kathryn Easterly – **Present**

Scott Elmer – **Present**

Vernita Harris – **Present**

Bert Keller – **Present**

Jeff Ross – **Present**

Edward Taravella – **Present**

Council Member Oliver Pennington, Ex-Officio – Absent

1. Call to Order / Welcome

Chairman Gilbert Herrera called the meeting of the ReBuild Houston Advisory Committee (RHAC) to order at 10:38 a.m. and thanked all in attendance. Also in attendance was Council Member Stephen Costello.

2. Approval of the Minutes

Motion to approve the April 22, 2014 meeting minutes was made by Mr. Scott Elmer and seconded by Mr. Bert Keller. Motion carried. Mr. Jeff Ross abstained from voting due to his absence from the previous meeting.

3. Final Consensus on Recommendations for FY16 – FY25 Plan

“Project Selection, Process Methodology & Recommended Changes”

Chairman Herrera opened the discussion regarding committee recommendations for changes to the *CIP Process Manual* related to project selection or methodology. Mr. Herrera went on to ask for committee members to elaborate on recommendations they may have.

Rebuild Houston Oversight Committee Meeting Minutes: June 24, 2014

Mr. Dale Rudick, ReBuild Houston Executive, informed committee members that PWE is finalizing the Planning and Programming process refinements for the next annual “5+5 Year” Planning cycle (FY16 – 25). He reminded the committee that last fall there were several workshops held that included 2013 refinements to the *CIP Process Manual* along with various topics related to the methodology. This fall, based on RHAC input in April, we will have more educational workshops related to project selection and methodology. He then introduced Ms. Carol Haddock, Senior Assistant Director, from PWE’s Planning & Development Services Division, Infrastructure Planning Branch and stated that Ms. Haddock is here to answer more detailed questions regarding the planning process. Chairman Herrera requested Ms. Haddock to explain the prioritization of Candidate Projects, as well as benefit/cost. Ms. Haddock stated that it is a two-step process which includes:

- Identification of Need Areas and prioritization of those Need Areas (“+5 Plan”) based upon objective data and
- Pre-engineering (solutions are developed; project scope and estimated project cost is determined) of the top level of the “+5 Plan.”

Need is determined by the assessment and evaluation of infrastructure conditions utilizing uniform City standards for level of service. Prioritization of need is performed using the Storm Water Enhanced Evaluation Tool (SWEET). Ms. Haddock explained that during the pre-engineering phase, various solutions are reviewed. Benefit/Cost is not performed utilizing a federal formula but determines the best investment for the dollars that are available simply by dividing the number of benefitted users by the ReBuild Houston dollars needed. The formula looks at ReBuild Houston dollars only; outside funding helps to leverage a candidate project. With respect to traffic, Planning looks at a weighted average of current and future traffic volumes. Ms. Haddock noted that a greater effort has been made by PWE to reach out to outside organizations such as TIRZs, Management Districts, etc. so that holistic solutions can be realized.

Mr. Jeff Ross asked if the City is able to utilize parkland and park fees for detention to avoid land acquisition. Ms. Haddock responded that we have provided the Parks Department with our identified list of detention needs that are known beyond the current CIP (5+5) but the primary problem is that the funding available is very limited. Mr. Ed Taravella stated that the Parks Department does not want to do any parks under a certain size; it is a policy issue related to maintenance and cost. Mr. Ross asked how we can leverage our funding related to detention needs. Ms. Haddock said that we go to the special districts and show them where our identified needs are and where we can partner so that both agencies can come out ahead.

Ms. Jeri Brooks made several suggestions including incorporating the ‘worst first’ language into the *CIP Process Manual*, continued communication with other entities for detention purposes, as well as reporting on public engagement activities. Chairman Herrera cautioned about ‘worst first’ term where we need to emphasize the Needs driven aspect of the program and pay-as-you-go. Mr. Ross stated that the ‘worst first’ term came about in an effort to help quantify a balanced approach throughout the City. Chairman Herrera then suggested that Ms. Brooks and Mr. Rudick get together to discuss further.

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Chairman Herrera recognized Council Member Stephen Costello, Chairman of City Council's Budget and Fiscal Affairs Committee. He provided a short overview related to the budgeting and CIP process. Chairman Costello asked if PWE was taking on a study effort related to detention. Ms. Haddock replied that a comprehensive study was performed to determine the best locations for regional and sub-regional detention based upon our CIP planning efforts. About 20 potential sites were determined and PWE is now moving forward with four of them.

4. Executive Report

Mr. Rudick provided a briefing of recent ReBuild Houston activities:

- Presentation made to the TTI committee on May 13 by Director Krueger and Deputy Director Dargan on "Maintaining Houston Streets"
- Individual CIP meetings were held with each of the Council Members
- Submittals were received from each of the District Council Members in response to PWE's request for 'Identification of Needs' in their individual districts. It was noted that the Needs submitted by the Council Members closely aligned with Needs identified in ReBuild Houston's '5+5 Year Plan.'
- Presentations were made to Super Neighborhoods, civic associations and professional organizations. Update on ReBuild Houston's continued outreach to neighborhood groups. Mr. Rudick also requested that committee members reach out to him regarding additional public speaking opportunities with professional and civic groups.
- Council Member re-appointments of Ms. Harris and Ms. Easterly to the ReBuild Houston Advisory Committee will be voted on at the June 2, 2014 Council Meeting. The Mayor has already re-appointed mayoral appointees Chair Herrera and Mr. Elmer.
- Drainage Utility Collections / Expenditures report along with two quarterly financial reports for period ending March 31, 2014 were distributed (attached).

5. Old Business/New Business

Mr. Rudick announced that the CIP will be discussed at tomorrow's Council Meeting.

6. Public Comments

Ms. Virginia Gregory spoke briefly on flooding issues in the Spring Branch area. Ms. Louisa Patak with Carson Companies spoke about flooding concerns near 1-10 and McCarty.

7. Adjourn: Meeting adjourned at 12:00 p.m.

Attachments:

- ReBuild Houston Advisory Committee Tentative CY14 Meeting Schedule
- Drainage Utility Collections/Expenditures – Inception to Date (as of May 31, 2014)
- Quarterly Financial Reports (2) for quarter ending March 31, 2014

Advisory Committee: CY 2014 Meeting Schedule – SUBJECT TO CHANGE

February 4, 2014 (rescheduled from 1/28/14)

- PWE's Draft "5+5 year Plan" (FY 15 – 24); CIP Program Update & Prioritized Need Areas
- Preview: CIP Town Hall Meetings & Process

February 25, 2014 – PWE 101 Tour

March 25, 2014

- Discussion on "project selection, process methodology & recommended changes" for FY 16-25

April 22, 2014

- Consensus on "project selection, process methodology & recommended changes" for FY 16-25

May 27, 2014

- ~~Final Consensus on Recommendations for FY 16 – FY 25 Plan~~ – Cancelled (no quorum)

June 24, 2014

- Final Consensus on Recommendations for FY 16 – FY 25 Plan

July 22, 2014 – No RHAC meeting; Orientation for interested members

August 26, 2014

- Workshop on Finance/Funding

September 23, 2014

- Workshop on CIP Process Manual (Weighting, B/C & Prioritization)

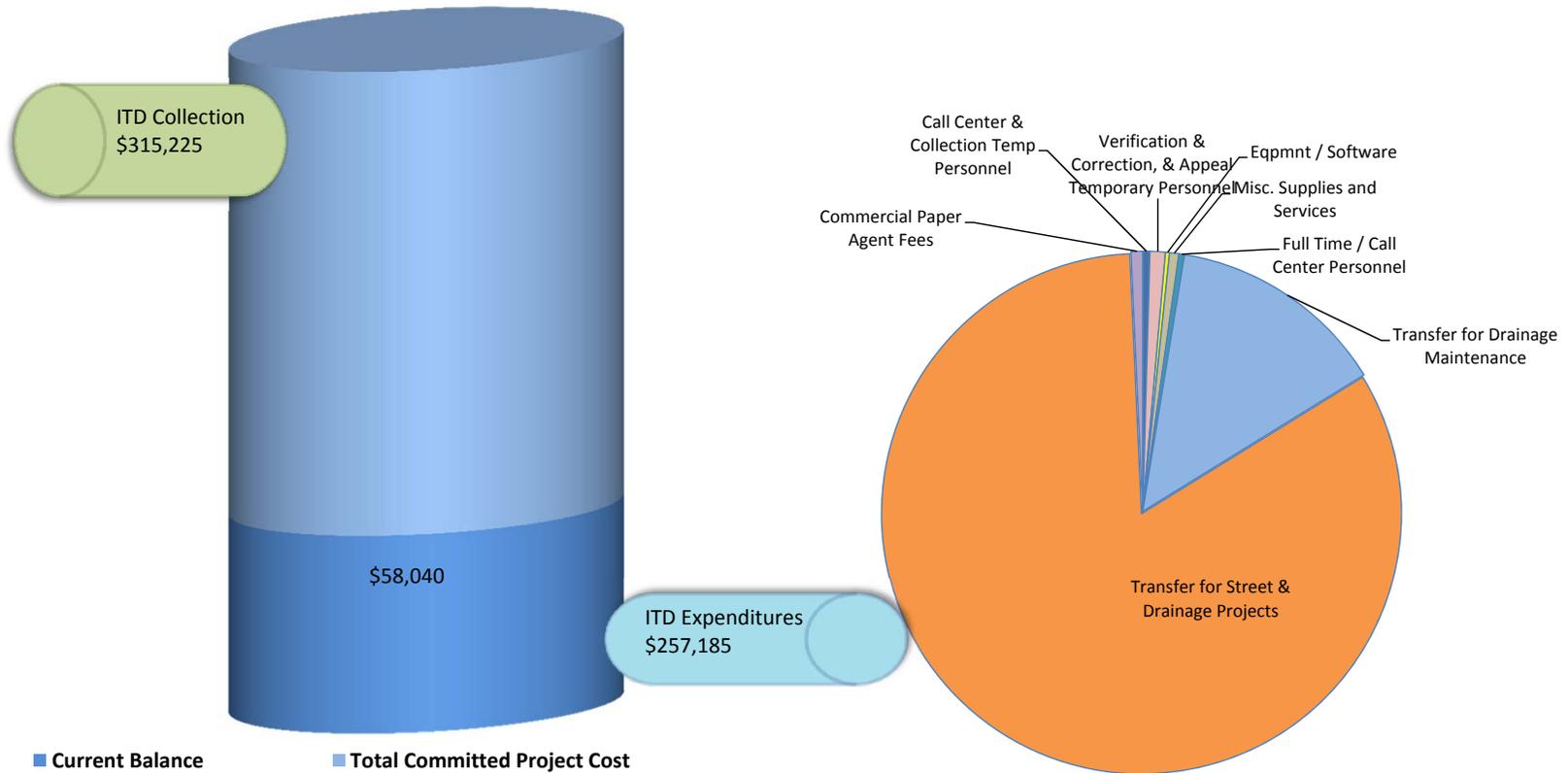
October 28, 2014

- Workshop on Communication & Public Engagement

November, 18, 2014 (Nov. & Dec. meetings combined)

- Workshop on Pavement Condition Data Sets & Improvements
- Timeline for January release of FY 16-25 "5+5 Year Plan"
 - January 22, 2015 (tentative) – Release of Internal Draft FY 16-25 "5+5" to RHAC
 - January 28, 2015 – RHAC discussion on Draft FY 16-25 "5+5"
 - Feb/March – CIP District Town Hall meetings/Public Comment Period

**Drainage Utility
Inception to Date (ITD) Collections / Expenditures
(\$ in Thousands)
(As of May 31, 2014)**



Note: Currently committed project costs total \$194.0 Million.

City of Houston
Public Works and Engineering Department
Dedicated Street & Drainage Fund Group
FY14 Budget and CIP Report
For the Quarter ending March 31th, 2014

<i>CONSOLIDATED APPROPRIATIONS</i>	<i>Adopted Budget</i>	<i>Adopted CIP</i>	<i>Adopted Budget + Refined CIP²</i>	<i>YTD Actual 03/31/14</i>	<i>Current Projection</i>
OPERATIONS AND MAINTENANCE					
Street and Drainage ¹	\$ 14,143,498		\$ 14,143,498	\$ 9,660,413	\$ 13,527,265
Traffic Operations ¹	\$ 21,548,700		\$ 21,548,700	\$ 14,964,224	\$ 20,725,598
Support Operations	\$ 805,600		\$ 805,600	\$ 450,718	\$ 765,894
Transfer to Stormwater Fund	\$ 10,000,000		\$ 25,000,000	\$ 8,896,542	\$ 23,896,542
Other Drainage Operational Expenditures	\$ 4,317,300		\$ 4,317,300	\$ 1,684,468	\$ 3,151,956
Total O&M	\$ 50,815,098		\$ 65,815,098	\$ 35,656,366	\$ 62,067,255
PERMANENT AND CAPITAL IMPROVEMENTS					
Street Resurfacing ¹	\$ 14,317,642		\$ 14,317,642	\$ 9,206,063	\$ 14,234,561
Bridge Replacement ¹	\$ 1,373,098		\$ 1,373,098	\$ 828,101	\$ 1,266,244
Concrete Replacement ¹	\$ 8,179,263		\$ 8,179,263	\$ 6,403,134	\$ 7,815,304
Capital Equipment	\$ 1,372,200		\$ 1,372,200	\$ 1,042,773	\$ 1,363,454
Total Permanent Impr./Capital Impr.	\$ 25,242,202		\$ 25,242,202	\$ 17,480,070	\$ 24,679,563
Sub-total - Budget	\$ 76,057,300		\$ 91,057,300		
CIP					
Metro Capital		\$ 50,019,000	\$ 55,693,642	\$ 24,931,786	\$ 49,038,902
Grant Funds		\$ 15,221,000	\$ 15,221,000	\$ 12,521,948	\$ 15,221,000
Capital Contribution		\$ 10,298,000	\$ 10,298,000	\$ (100,000)	\$ 5,157,000
Other		\$ -	\$ 269,483	\$ -	\$ 269,483
DDSRF Capital Fund (4042)		\$ 140,549,000	\$ 213,835,647	\$ 36,710,594	\$ 213,835,647
Total CIP		\$ 216,087,000	\$ 295,317,772	\$ 74,064,328	\$ 283,522,032
Total Permanent and Capital			\$ 320,559,974	\$ 99,306,530	\$ 308,201,595
Reconciling Items					
Transfers to Capital Funds					
Transfer to Drainage Capital Fund		\$ 110,000,000			
Total Transfers		\$ 110,000,000			
Grand Total	\$ 186,057,300	\$ 216,087,000	\$ 386,375,072	\$ 134,962,896	\$ 370,268,850
O&M Expenditure as Percentage of Total O&M Budget and CIP Appropriation³			17.03%		16.57%

- 1) Budgeted amounts for ongoing level of service provided by City Personnel - previously in the General Fund and reimbursed by METRO, now in fund 2310 and reimbursed by METRO.
- 2) The difference between Adopted CIP vs. Refined CIP is due to rollover of projects that were in the FY13 CIP but were not appropriated until FY14.
- 3) Based on the ReBuild Houston charter amendment, the percentage calculation is: The amount of the O&M (purple) divided by the amount appropriated (sum of blue highlighted numbers).

Drainage Utility Collections
Quarterly Collections and Annual Projections as of 3/31/2014

	Billing and Collection through March 2014			Projections for Fiscal Year		
	Billings ¹	Collections ²	% Collected	Billings	Collections	Projected % Collected
Monthly Accounts	\$ 60,824,938	\$ 53,713,197	88.31%	\$ 81,472,900	\$ 75,760,977	92.99%
Annual/Bi-Monthly Accounts ³	\$ 3,347,100	\$ 1,302,930	38.93%	\$ 3,681,810	\$ 1,433,223	38.93%
Quarterly - 3 quarters ⁴	\$ 21,108,680	\$ 18,046,902	85.50%	\$ 28,960,000	\$ 26,064,000	90.00%
City Bills	\$ 1,215,908	\$ 1,215,908	100.00%	\$ 1,621,800	\$ 1,621,800	100.00%
Total	\$ 86,496,625	\$ 74,278,937	85.87%	\$ 115,736,510	\$ 104,880,000	90.62%

1 Total Fiscal Year billings reflect actual status as of March 31, 2014 and includes amounts in litigation.

2 Collection figures include payments received through March 31, 2014.

3 Accounts with total annual drainage charges of \$60 or less and accounts for which no payment has ever been remitted are billed annually. Accounts with sewer and drainage charges only (no water) are billed bi-monthly.

4 Quarterly bills are systematically being moved from quarterly to monthly as matched. Some monthly bills have been consolidated based on owner request and billed quarterly. As of this report, only the first, second and third quarters have been billed.