



Advisory Committee: Minutes of Regular Meeting – September 24, 2013

IN ATTENDANCE:

Gilbert A. Herrera, Chair – **Present**
Jeri Brooks – **Present**
Frances Castaneda Dyess – **Present**
Kathryn Easterly – **Present**
Vernita Harris – **Present**
Bert Keller – Absent, with notice
Jeff Ross – **Present**
Edward Taravella – **Present**
Patrick Walsh – **Present**
Council Member Oliver Pennington, Ex-Officio – **Present**

1. Call to Order / Welcome

Chairman Gilbert Herrera called the meeting of the ReBuild Houston Advisory Committee to order at 10:32 a.m. Also in attendance were Council Members Stephen Costello, Jerry Davis and Larry Green. At the request of the Chairman, Council Member Costello was asked to speak briefly on the City's annual budgeting processes.

2. Approval of the Minutes

Motion to approve the August 27, 2013 meeting minutes was made by Mr. Patrick Walsh and seconded by Ms. Jeri Brooks. Motion carried unanimously.

3. Process Refinements – CIP Process Manual, SWEET Model

Ms. Carol Haddock, Sr. Assistant Director for PWE's Infrastructure Planning Branch gave a presentation discussing the *CIP Process Manual* and SWEET model refinements made for FY14. Ms. Haddock's PowerPoint presentation was dispersed (attached) to committee members. Topics highlighted during the presentation included: the Pre-engineering Process Review, 'Need' area identification and prioritization along with candidate project prioritization and SWEET model refinements. Ms. Haddock informed the committee that the process of using pre-engineering in the determination of a 'candidate project' is a new one and it is routinely re-evaluated to ensure our objectives are met. She also stated that one of the biggest improvements experienced is the dialogue that has occurred between the City and outside agencies (i.e. Harris County Flood Control, TIRZ, Management Districts, etc.).

Council Member Green inquired about the Council Member input process regarding 'Need Area' identification. Mr. Dale Rudick reviewed the process that was unveiled last April with the Director's memo requesting input from the District Council members. This input has resulted in many Council member identified 'Need Areas' currently being pre-engineered. Once these 'Need Areas' are pre-engineered they will become 'candidate projects' and will compete with all other 'candidate projects' of the same category based on a benefit/cost prioritization score.

Council Member Davis stated that he was excited about the Council-approved open ditch assessment contract that is about to get underway which will provide unprecedented information related to our open drainage systems.

4. FY13 Year-End Financial Summary

Director Krueger provided an overview of the ReBuild Houston FY13 year-end financials. Copies (attached) of the monthly Drainage Utility Fees Collections & Expenditures (as of August 31, 2013) exhibit, the DRAFT Drainage Utility Collections and Billings (as of August 29, 2013) report, the DRAFT Dedicated Street & Drainage Fund Group report (as of September 19, 2013) were distributed. (Note: The draft documents have been replaced with the final documents and are included herein). Mr. Krueger offered further clarification and detail on the year-end documents. Mr. Taravella stated that it would be good if the Committee could have a workshop on finance of the Dedicated Drainage Street & Renewal Fund (DDSRF). Mr. Krueger responded that PWE would work toward that objective.

Mr. Krueger also addressed the pre-engineering process and stated that we are still in the learning phase. He listed key objectives which include: 1) Project follow-through from pre-engineering to the engineering phase; 2) Projects concluding in a similar manner as to the original directive from pre-engineering; and 3) Projects transitioning to the construction phase in a timely manner.

5. Executive Report

Chairman Herrera asked the committee to review their respective schedules and consider if the meeting time and day works for the entire group. The committee will discuss this topic in October. He also

Rebuild Houston Oversight Committee Meeting Minutes: September 24, 2013

announced that Ms. Jeri Brooks was asked to serve as Vice Chair of the ReBuild Houston Advisory Committee and that she has accepted.

A copy of an independent survey of all cities in the state of Texas that charge a drainage utility fee was distributed. There are 98 cities that currently have a drainage utility fee in place. Nine of the ten largest cities in Texas have implemented such a charge. The survey indicates the average monthly charge for residential properties in Houston (\$5.80/month) is in the middle tier of the largest cities in the Texas.

Mr. Rudick informed the committee that he made presentations to several organizations this month including: Catalina Square HOA, Northside Village Super Neighborhood, East Little York/Homestead Super Neighborhood and will be speaking to a University of Houston public finance class, as well as to the Texas Chapter of the American Planning Association at their annual conference in Galveston about public financing and pay-as-you-go.

Mr. Rudick followed up on his request from the August committee meeting for members to reach out to their business contacts so that we can make presentations and educate the business community on the ReBuild Houston initiative similar to what we have been doing with community organizations.

6. Old Business/New Business - None

7. Public Comments

Mr. Ed Brown from the Spring Branch West Super Neighborhood addressed the committee on items ranging from the Biggert-Waters Act, COH Chapter 42 and detention underneath sidewalks. Ms. Virginia Gregory addressed issues within the Spring Branch West community regarding a miscommunication between the City and TIRZ #17. Ms. Susan Petty voiced concerns that her subdivision, Charnwood, scheduled for pre-engineering will be delayed due to the scheduled overlay project in the area. Mr. Rudick informed Ms. Petty that the overlay will not affect the pre-engineering of Charnwood which is currently underway.

8. Adjourn:

Meeting adjourned at 12:45 p.m.

Attachments:

- FY14 Refinements PowerPoint presentation
- Drainage Utility Fees Collections & Expenditures exhibit (as of August 31, 2013)
- Drainage Utility Collections and Billings (as of August 29, 2013)
- Dedicated Street & Drainage Fund Group report (as of September 19, 2013)
- Texas Municipal Drainage Utilities Survey - September 2013

thumbs up



for progress

REBUILD HOUSTON

better streets. better drainage. better future.



FY14 Refinements

**Planning & Programming
Updates for FY15-24 Prioritization**

Department of Public Works & Engineering

Today's Topics

- Pre-Engineering Process Review
- CIP Process Manual Refinements
 - ▣ Need Identification and Prioritization
 - ▣ Candidate Project Prioritization
- SWEET Refinements

FY13 Pre-Engineering

- Meeting with Consultant teams 4/9/13
 - Consideration of Future Traffic Volumes
 - Mitigation Concerns
 - Standardizing Report Format
 - Schedule Duration
 - Compressed schedule for first year
 - Expand Problem Definition Phase

- Un-Built Major Thoroughfare & Collectors
 - ▣ Rank by projected 2035 ADT
- Major Thoroughfare & Collector Safety
 - ▣ Operations and Maintenance Program
- Local Streets
 - ▣ Revised Need Boundaries

Programming (Chapter 3)

CIP Process Manual Refinements



5

- Major Thoroughfares & Collectors
 - Balance future and existing traffic (65/35)
- Bikeways
 - Focus on on-street network
- Wastewater
 - Include 5-year repair history

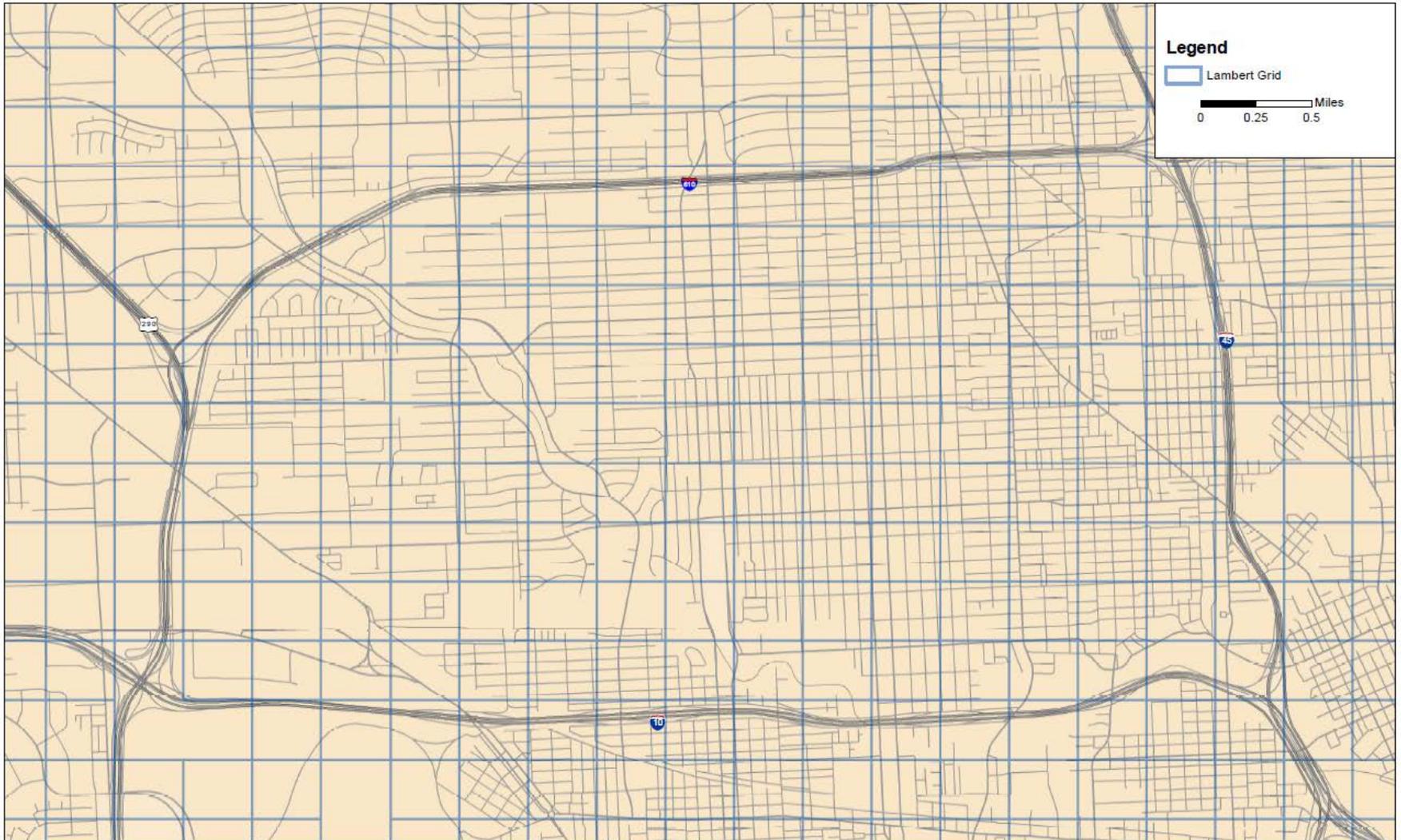
SWEET Model Refinements



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- Data Sets
 - ▣ Major Thoroughfare PCRs
 - ▣ FEMA Datasets
 - ▣ Citizen Reported, PWE Verified Data
 - ▣ CIP Town Hall Input
- Local Streets
 - ▣ Boundary Adjustment for Need

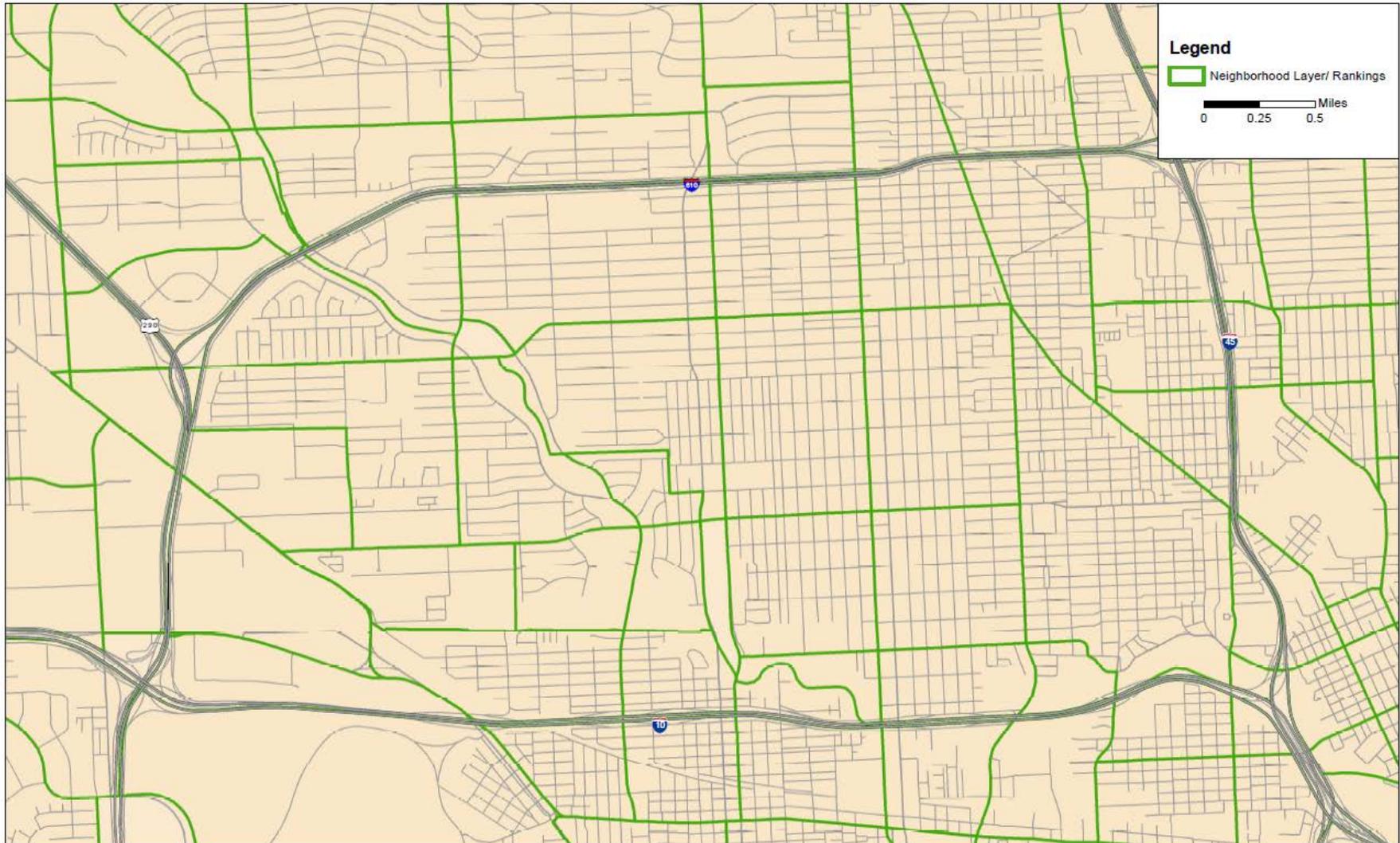
Local Street Need Boundary FY13 SWEET Run (Lambert Grid)



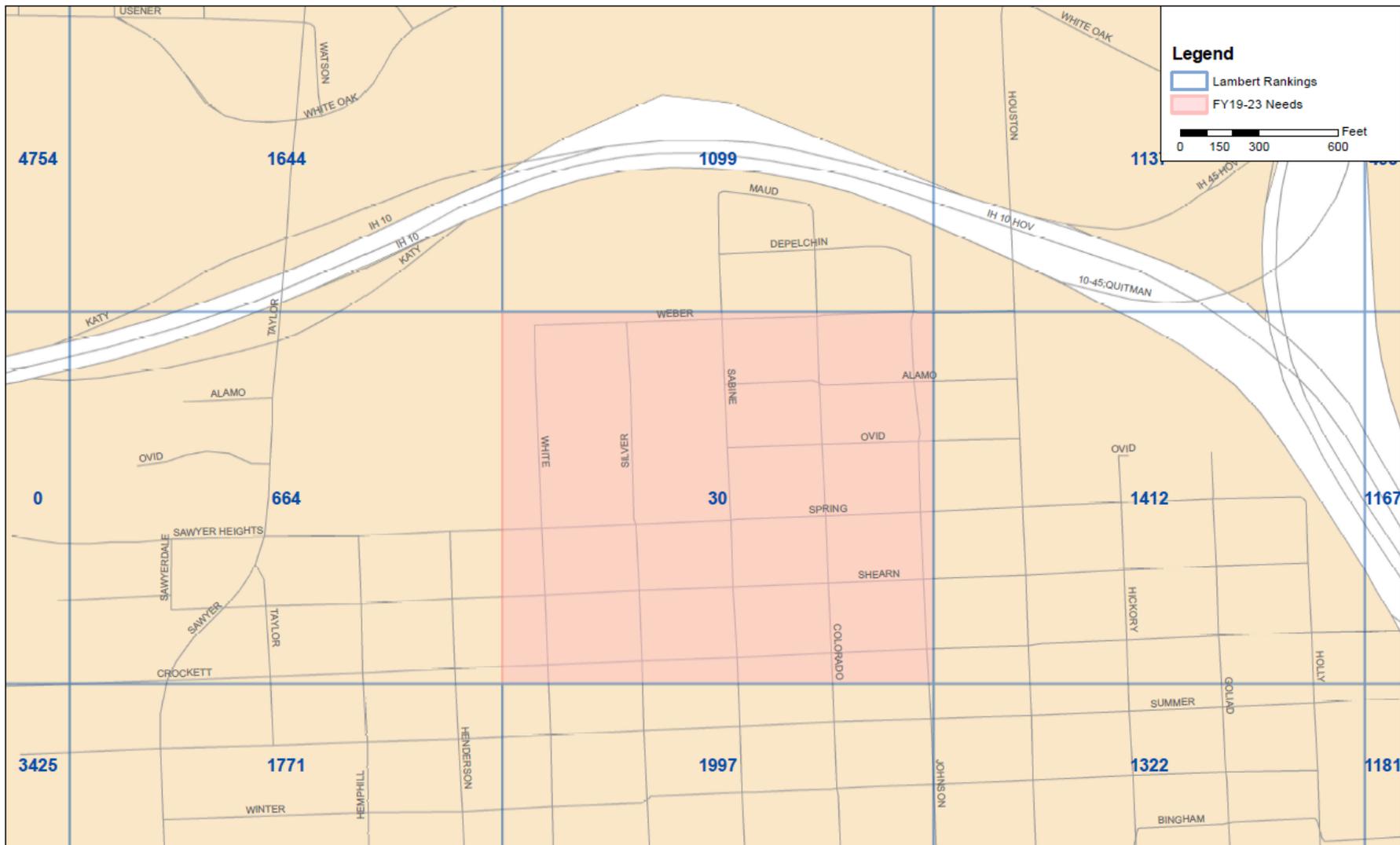
Local Street Need Boundary FY 14 SWEET Refinements



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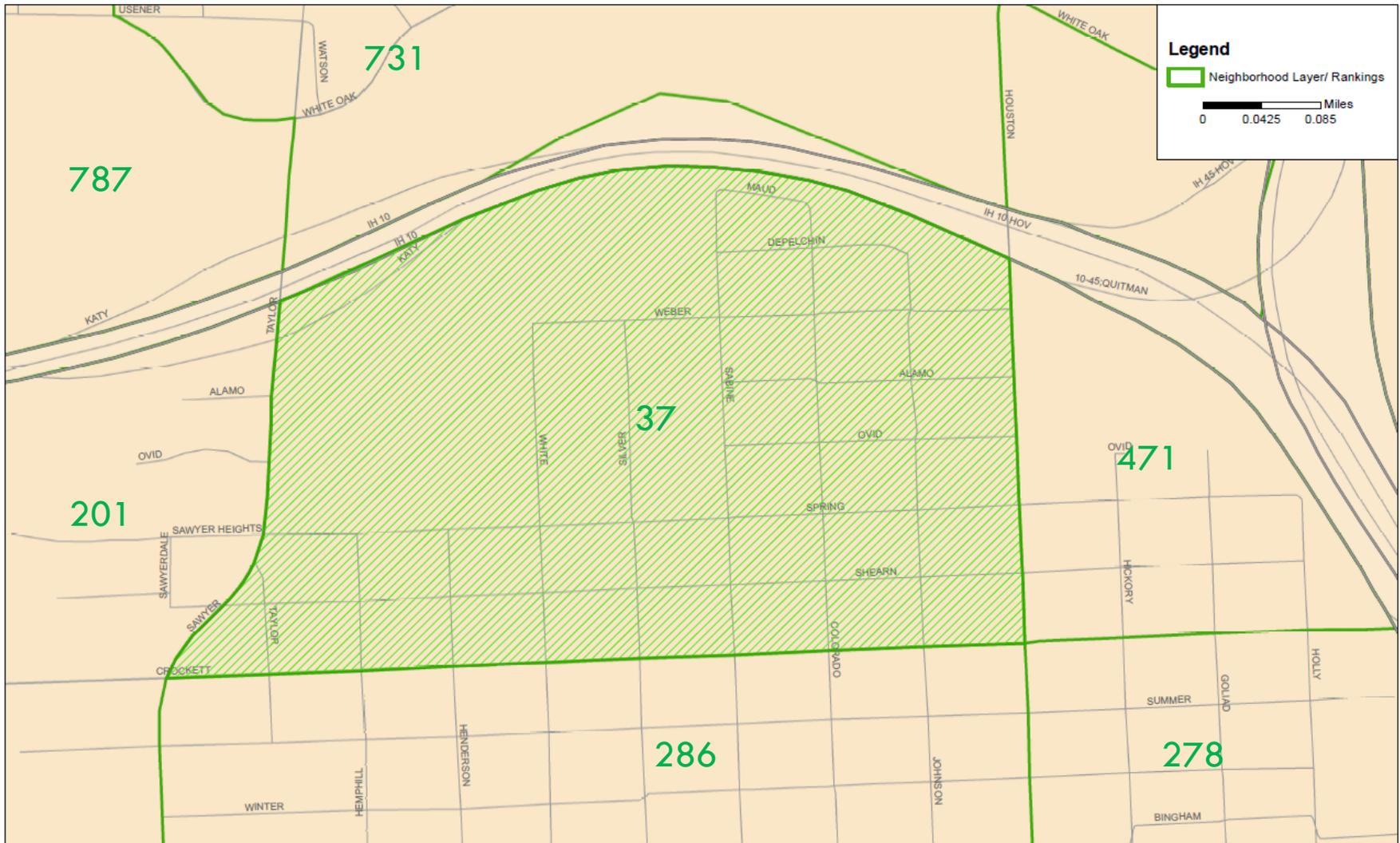
Local Street Need Boundary FY13 SWEET Run (Lambert Grid)



Local Street Need Boundary FY14 SWEET Refinements



10



thumbs up  for progress

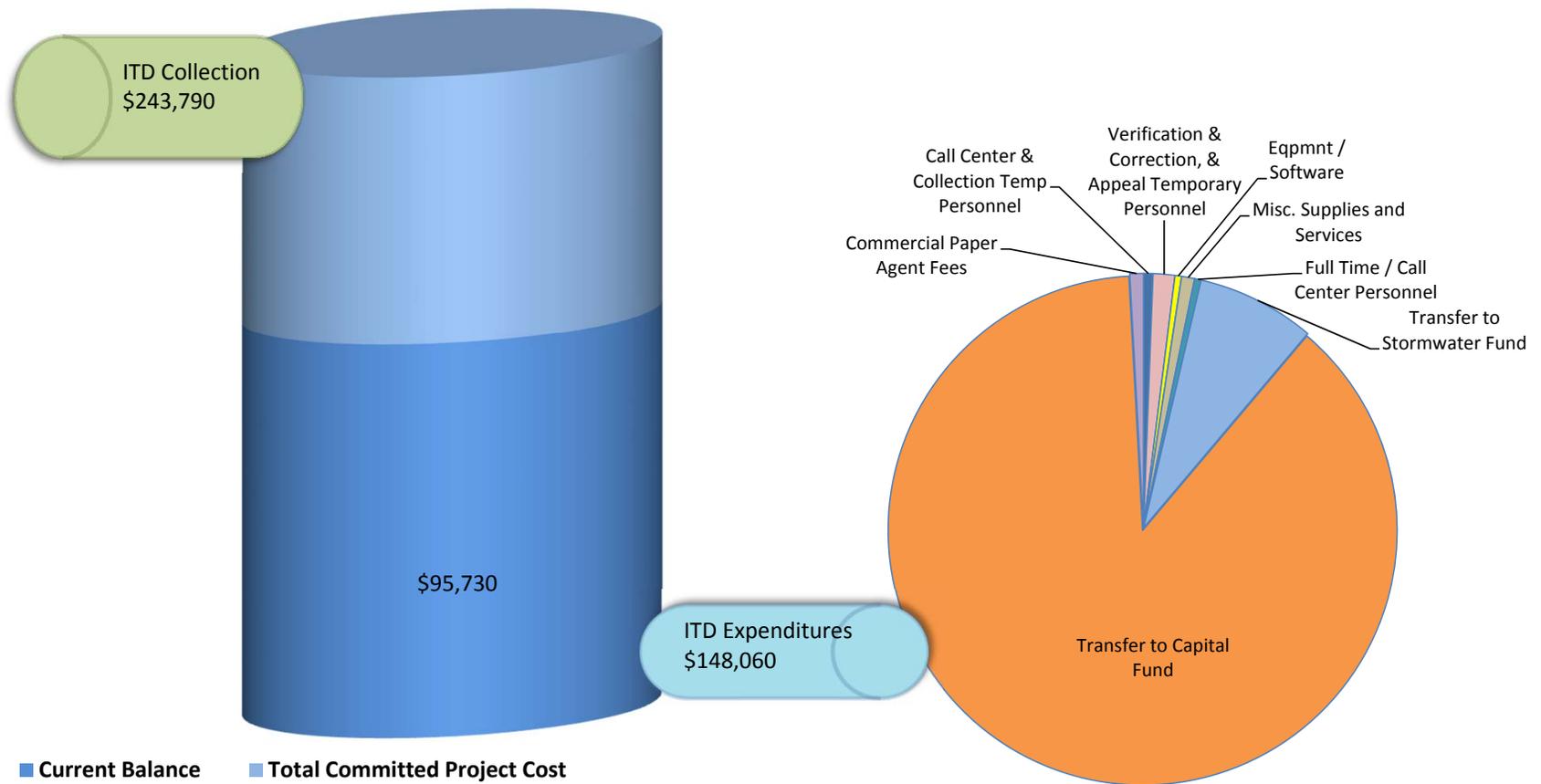
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QUESTIONS

www.ReBuildHouston.org

Drainage Utility Fees Inception to Date (ITD) Collections / Expenditures (\$ in Thousands) (As of August 31, 2013)



Note: Currently committed project costs total \$161Million.

Drainage Utility Collections
Quarterly Collections and Billings as of 08/29/2013

Billing Through June 30, 2013 and Collection Through August 29, 2013

	Beg Balance	Billings ¹	Collections ²	Ending Balance	% Collected
Monthly Bills - Active Accounts		\$ 77,153,020	\$ 73,915,515		95.80%
Monthly Bills - Inactive Water Accounts ³		\$ 2,646,824	\$ 1,806,188		68.24%
Annual/Bi-Monthly Accounts ⁴		\$ 3,822,230	\$ 861,901		22.55%
Quarterly		\$ 27,755,379	\$ 25,177,027		90.71%
City Bills		\$ 1,618,598	\$ 1,618,598		100.00%
Subtotal		\$ 112,996,050	\$ 103,379,229	\$ 9,616,821	91.49%
From FY'12 Receivable	\$ 13,012,653		\$ 2,171,912	\$ 10,840,741	
Total			\$ 105,551,141	\$ 20,457,562	
Penalties	\$ 1,461,996	\$ 1,788,848	\$ 1,008,426	\$ 780,422	
Grand Total	\$ 14,474,649	\$ 114,784,898	\$ 106,559,567	\$ 22,699,980	

1 Total Fiscal Year billings reflect actual status as of 06/30/2013 and includes amounts in litigation.

2 FY13 collection figures include payments on FY13 billings received through August 29, 2013, per Governmental Accounting Standards.

3 These are primarily unoccupied single family homes. Owners have been billed.

4 Accounts with total annual drainage charges of \$60 or less and accounts for which a payment has never been remitted are billed annually. Accounts with sewer and drainage charges only (no water) are billed bi-monthly.

City of Houston
Public Works and Engineering Department
Dedicated Street & Drainage Fund Group
FY13 Budget and CIP Report
For the Quarter ending June 30th, 2013
As of 09/19/2013

<i>CONSOLIDATED APPROPRIATIONS</i>	<i>Adopted Budget</i>	<i>Adopted CIP</i>	<i>Adopted Budget + Refined CIP²</i>	<i>Actual O&M Exp + Actual CIP Approp.</i>
OPERATIONS AND MAINTENANCE				
Street and Drainage ¹	\$ 15,012,222		\$ 15,012,222	\$ 12,950,297
Traffic Operations ¹	\$ 19,696,294		\$ 19,696,294	\$ 18,401,567
Support Operations	\$ 643,559		\$ 643,559	\$ 520,294
Transfer to Stormwater Fund	\$ 7,653,700		\$ 7,653,700	\$ 11,153,700
Other Drainage Operational Expenditures ³	\$ 4,191,347		\$ 4,191,347	\$ 3,048,328
Total O&M	\$ 47,197,122		\$ 47,197,122	\$ 46,074,186
PERMANENT AND CAPITAL IMPROVEMENTS				
Street Resurfacing ¹	\$ 11,920,741		\$ 11,920,741	\$ 12,476,255
Bridge Replacement ¹	\$ 1,501,695		\$ 1,501,695	\$ 729,989
Concrete Replacement ¹	\$ 8,253,442		\$ 8,253,442	\$ 7,858,150
Capital Equipment	\$ 68,300		\$ 68,300	\$ 99,828
Total Permanent Impr./Capital Impr.	\$ 21,744,178		\$ 21,744,178	\$ 21,164,221
Sub-total - Budget	\$ 68,941,300			
CIP				
Metro Capital		\$ 48,694,000	\$ 53,665,392	\$ 47,990,750
Grant Funds		\$ 38,157,000	\$ 38,157,000	\$ 13,252,611
Capital Contribution		\$ 4,668,000	\$ 4,668,000	\$ 547,000
Other		\$ -	\$ 555,000	\$ 285,517
DDSRF Capital Fund (4042)		\$ 105,000,000	\$ 128,439,877	\$ 101,153,230
Total CIP		\$ 196,519,000	\$ 225,485,269	\$ 163,229,109
Total Permanent and Capital			\$ 247,229,447	\$ 184,973,286
Reconciling Items				
Transfers to Capital Funds				
Transfer to Drainage Capital Fund	\$ 110,000,000			
Total Transfers	\$ 110,000,000			
Grand Total	\$ 178,941,300	\$ 196,519,000	\$ 294,426,569	\$ 232,170,409
O&M Expenditure as Percentage of Total O&M Budget and CIP Appropriation			16.03%	19.84%

- 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 FY12 CIP that were not appropriated until FY13.
- 3) Significant effort by Combined Utility System staff goes into the Rebuild Houston effort that is not paid for from DDSRF dollars. Only three permanent employees are included in the 2310 funding.



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Texas Municipal Drainage Utilities-September 2013

	Population	Single-Family ERU Rate-\$/Month
Abilene	115,930	\$2.45
Addison	13,700	\$10.00
Allen	76,600	\$3.00
Amarillo	185,525	\$2.51
Arlington	367,197	\$4.25
Austin	709,893	\$9.20
Azle	11,164	\$3.00
Baytown	68,714	\$1.50
Bedford	49,902	\$3.50
Belton	18,277	\$3.00
Benbrook	22,850	\$6.50
Bryan	67,266	\$2.80
Burkburnett	10,927	\$1.50
Cibolo	18,000	\$4.00
Cleburne	30,400	\$2.75
College Station	84,000	\$5.00
Colleyville	23,210	\$7.00
Converse	18,643	\$2.43
Coppell	39,460	\$1.00
Corinth	19,556	\$6.00
Crowley	12,920	\$1.75
Dallas	1,280,500	\$7.77
Deer Park	32,706	\$1.32
Denton	109,561	\$5.45
Desoto	47,600	\$6.00
Dickinson	18,000	\$4.00
Eagle Pass	27,183	\$3.00
EL Paso	592,099	\$2.97
Eules	53,400	\$2.50
Fairview	9,100	\$5.75
Flower Mound	65,851	\$3.90
Fort Worth	686,850	\$5.40
Fredericksburg	11,305	\$1.00
Frisco	116,969	\$2.00
Gainesville	16,569	\$3.50

Galveston	57,500	\$7.00
Garland	224,750	\$2.88
Georgetown	45,342	\$4.75
Glenn Heights	11,511	\$5.08
Grand Prairie	161,550	\$3.76
Grapevine	48,583	\$4.00
Haltom City	40,132	\$4.89
Harker Heights	26,700	\$6.00
Hewitt	13,588	\$2.75
Highland Village	15,738	\$5.11
Houston	2,099,642	\$5.80
Hurst	38,996	\$4.00
Irving	205,600	\$4.00
Jacinto City	10,780	Not Charging
Keller	37,700	\$8.00
Kennedale	7,284	\$2.50
Killeen	102,003	\$6.00
Kingsville	26,322	\$1.25
La Marque	14,732	Not Charging
Lancaster	36,225	\$7.97
Laredo	215,484	\$6.50
Leon Valley	11,020	\$3.68
Little Elm	25,898	\$3.35
Live Oak	14,503	\$5.50
Lockhart	14,237	\$2.00
Lubbock	212,365	\$14.00
Mansfield	51,300	\$3.50
McKinney	112,000	\$2.75
Mesquite	136,750	\$3.00
Mission	77,058	\$1.50
Mount Vernon	2,662	\$3.00
New Braunfels	51,066	\$4.42
North Richland Hills	64,050	\$2.58
Plano	255,700	\$3.30
Portland	18,500	\$3.00
Prosper	10,500	\$4.00
Richardson	103,201	\$3.75
Richland Hills	8,300	\$9.50
River Oaks	7,567	\$4.00

Round Rock	92,392	\$2.75
Rowlett	54,869	\$5.50
Saginaw	18,950	\$3.00
San Angelo	93,200	\$4.00
San Antonio	1,306,900	\$4.25
San Marcos	50,371	\$6.74
Schertz	30,000	\$3.80
Sealy	6,150	\$2.00
Selma	5,540	\$4.12
Southlake	26,224	\$8.00
Stephenville	17,050	\$3.00
Sunset Valley	468	\$4.00
Taylor	15,191	\$1.00
Temple	60,000	\$3.00
The Colony	40,206	\$2.50
Trophy Club	7,832	\$6.00
Tyler	101,106	6% water utilities billing
Universal City	18,530	\$3.08
University Park	24,182	\$4.85
Watagua	24,150	\$12.00
Weatherford	25,557	\$3.00
Webster	9,930	\$1.24
White Settlement	16,543	\$4.62
Wichita Falls	103,876	\$3.55
Total Count	Min	Average
98	468	\$4.24
		Median
		\$3.76
	Max	High
	2,099,642	\$14.00
		Low
		\$1.00
		Mode
		\$3.00