



City of San Antonio

Agenda Memorandum

File Number: 17-3426

Agenda Item Number: 20.

Agenda Date: 6/15/2017

In Control: City Council A Session

DEPARTMENT: Economic Development

DEPARTMENT HEAD: Rene Dominguez

COUNCIL DISTRICTS IMPACTED: City-wide

SUBJECT:

Renewal of Interlocal Agreement with Alamo Colleges

SUMMARY:

This item provides for consideration of an Ordinance approving renewal of an Interlocal Agreement for a two-year term which facilitates administration of "CPS Energy proceeds" (the City's 14% share of CPS Energy revenue collected from ACCD's monthly natural gas and electrical billings) encumbered under a settlement agreement pursuant to *City of San Antonio vs. Alamo Community College District* (ACCD). In coordination and partnership with ACCD staff, EDD recommends a 12 month budget of an estimated \$1,083,710 for the ACCD fiscal year of September 1, 2017 through August 31, 2018, based on estimated future CPS Energy proceeds and existing carryover funds. Staff recommends continued funding for: (1) the Alamo Academies; (2) City employee training programs administered by the Human Resources Department; (3) the Economic Development Department Mentor-Protégé Bonding Assistance Program; and (4) the Department of Human Services Long Term Case Management (LTCM) workforce development scholarship program. EDD also recommends authorization for the City Manager to adjust the budget and programs funded through the Interlocal Agreement for the ACCD fiscal year of September 1, 2018 through August 31, 2019, in consultation with the Economic and Human Development Committee. The Alamo College Board of Trustees is scheduled to approve the agreement on July 25, 2017.

BACKGROUND INFORMATION:

In March 2001, City Council authorized the 15-year Settlement Agreement which was renewed April 2016 for an additional 15 years to utilize funds deposited in escrow from the City's Energy proceeds. Based on projected CPS Energy proceeds from ACCD billings and existing carryover funds, the FY 2018 (Year 2) budget is estimated at \$1,083,710, summarized as follows:

Alamo Academies (AAAA, ITSA, ATMA, HPA, HEA)	\$ 485,416
Training for City Employees (HR)	\$438,294
Mentor-Protégé/Bonding Assistance Program (EDD)	\$90,000
Long Term Case Management Training Scholarships (DHS)	\$70,000
TOTAL	\$1,083,710

Projects Funded:

- Alamo Academies - An innovative training and educational partnership, providing education, experience and job opportunities for high school students seeking to jump-start their careers and make a seamless transition from high school to college and/or the workplace. The Alamo Academies include the Alamo Area Aerospace Academy (AAAA), the Information Technology & Security Academy (ITSA), the Advanced Technology & Manufacturing Academy (ATMA), the Health Professions Academy (HPA) and the Heavy Equipment Academy (HEA). In 2017, Alamo Academies graduated 107 students.
- Department of Human Resources (HR) - The HR department serves to coordinate and develop employee education and development initiatives, including specialized training. Request includes funding for the Workplace Education Programs (G.E.D. Exam Preparation and CDL Exam Training), project management and process improvement training (Fundamentals of Project Management, Workflow Analysis and Project Management Professional Certification), and the City Leadership Programs (Supervisor/Management and Leadership Development Programs). A total of 903 employees were trained in 80 classes in FY2016.
- Economic Development Department (EDD) - Utilizes funding to operate the Mentor-Protégé Bonding Assistance Programs. These programs provide capacity-building educational courses, referred to as the Small Business Boot Camp, specific to the needs of small business (courses include Business Plan, Business Plan Financials, Access to Capital, Credit Repair, among others). The program provides individualized business counseling and facilitates mentor-protégé partnerships, which allow small businesses to learn successful business practices from experienced industry leaders. In FY2016, businesses that participated in the Mentor-Protégé Bonding Assistance Programs increased annual revenue on average by 129%
- Department of Human Services (DHS) - DHS, through its Family Assistance Division, currently administers the Long Term Case Management workforce development program, which assists individuals in making permanent improvements in their lives to escape poverty and move toward self-sufficiency. DHS requests funding to provide scholarship opportunities for 47 case management clients enrolling in an Alamo College certificate or degree program to prepare for employment in targeted demand occupations.

ISSUE:

Renewal of the Interlocal Agreement by City Council and ACCD Trustees on July 25, 2017 will allow for continued administration of proceeds encumbered pursuant to the 15-year Settlement Agreement executed in 2016 with the Alamo Community College District.

ALTERNATIVES:

If City Council does not approve the renewal of the Interlocal Agreement, the authority to administer these funds under the Settlement Agreement will terminate and funding for the proposed programs in the FY 2018 (Year 2) Interlocal Agreement budget will cease and may impact the ability of the Alamo Academies to continue operations.

FISCAL IMPACT:

There is no direct fiscal impact to the City. CPS Energy proceeds are placed in an Education and Training Fund escrow account maintained by ACCD. Training credits are then provided by ACCD through negotiated contracts for specific training programs included in the Interlocal Agreement budget.

RECOMMENDATION:

Staff recommends approval of the renewal of the Interlocal Agreement with Alamo Community College District effective September 1, 2017, to administer funds for education and training programs in accordance with the ACCD Settlement Agreement.