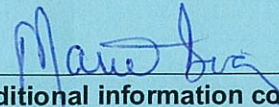


TO: Mayor via City Secretary

REQUEST FOR COUNCIL ACTION

SUBJECT: Intergovernmental Agreement with Lone Star College, Houston Community College and San Jacinto College District to Establish Houston Area Construction Education Collaborative		Category #	Page 1 of 2	Agenda Item #
FROM (Department or other point of origin): Houston Airport System		Origination Date December 12, 2014	Agenda Date	
DIRECTOR'S SIGNATURE: 		Council District affected: B, E, I		
For additional information contact: Kathy Elek <i>Kae</i> Phone: 281/233-1826 Robert Barker 281/233-1953 <i>ml</i>		Date and identification of prior authorizing Council action: N/A		
AMOUNT & SOURCE OF FUNDING: CIP No. A-0631 \$3,750,000 HAS Renew&Replacemt Fund (8010) CIP No. A-0631 \$3,916,000 HAS Aprt Improvement Fund (8011) \$7,666,000 Total		Prior appropriations: N/A		
RECOMMENDATION: (Summary) Enact an ordinance to approve and authorize an intergovernmental agreement with Lone Star College (LSC), Houston Community College (HCC) and San Jacinto College District (SJCD) to establish the Houston Area Construction Education Collaborative (HACEC). Appropriate the necessary funds—fully recoverable through savings realized in insurance premiums—to finance the cost of the construction education program, which includes the repurposing and set-up of an existing Houston Airport System (HAS) facility.				
PROJECT LOCATION: George Bush Intercontinental Airport/Houston (IAH), William P. Hobby Airport (HOU), and Ellington Airport (EFD)				
<p>SPECIFIC EXPLANATION: This intergovernmental agreement with Lone Star College (LSC), Houston Community College (HCC) and San Jacinto College District (SJCD) to establish the Houston Area Construction Education Collaborative (HACEC) will provide for craft workforce education and safety training to construction contractor employees engaged in work to support Houston Airport System (HAS) designated capital projects. The benefits of the HACEC include:</p> <ul style="list-style-type: none"> • The craft training offered to construction contractor employees will serve to improve both the availability and capability of the local workforce to support construction contractor needs, thereby simultaneously supporting local community engagement and reducing construction costs; • The safety training provided by the HACEC education will reduce construction contractor lost time work injuries; and, • All construction contractor employees will be required to complete safety and security training prior to engaging in work in support of HAS-designated capital projects, which will significantly reduce insurance costs associated with the projects. <p>HAS, in collaboration with the local community colleges and construction industry representatives, has developed an expandable curriculum to provide craft workforce and OSHA-approved safety training to construction contractor employees engaged in work to support HAS-designated capital projects. The workforce training will be provided in a dedicated training facility located at IAH.</p>				

REQUIRED AUTHORIZATION

Finance Department:

Other Authorization:

Other Authorization:

Date December 12, 2014	Subject: Intergovernmental Agreement with Lone Star College, Houston Community College and San Jacinto College District to Establish Houston Area Construction Education Collaborative	Originator's Initials RB	Page 2 of 2
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HAS will contribute funding in the amount not-to-exceed \$250,000 to fund the initial start-up of the construction education program, and fund the renovation/renewal of the training center and purchase of classroom and laboratory equipment at a cost not-to-exceed \$3,750,000. To facilitate the on-going operation of the construction education program, HAS will contribute a set fee per labor hour of work performed by contractors and their employees on HAS-designated capital projects. During the first full year of operation, the contribution will equal \$0.20 per labor hour. During subsequent years, the labor hour contribution will equal \$0.15 per hour. From the labor hour contribution, the community colleges will be paid for training courses provided. Lone Star College, acting as Agent for the operation of the training center, will be reimbursed for direct operations and overhead costs associated with the program, and a fund will be established to defray costs associated with community engagement efforts by the construction contractors.

As a direct result of the requirement that all construction contractor employees be required to complete safety and security training prior to engaging in work in support of HAS-designated capital projects, this program will position the airport system to take advantage of significant savings in insurance premiums for general liability and workmen compensation. These savings would accrue to the airport system through an owner's controlled insurance program to be implemented in the early part of 2015. We expect the savings in insurance premiums to more than compensate for any expenditures made under this program. All costs associated with the program will be capital in nature and thus will not impact the operating budget of the airport system.

This agreement shall remain valid throughout the completion of the IAH Terminal Redevelopment Program (ITRP), anticipated to be December 2022. The Agreement may be extended in the future based on HAS capital program needs and local economic conditions.