

**DEPARTMENT:** Workforce Development

**DEPARTMENT HEAD:** Michael Ramsey

**COUNCIL DISTRICTS IMPACTED:** City-wide

**SUBJECT:**

Interlocal Agreement relating to a prior utility escrow settlement between the City of San Antonio and the Alamo Colleges District.

**SUMMARY:**

The City's Workforce Development Office will provide a briefing on a new Interlocal Agreement ("ILA") between the City of San Antonio ("City") and the Alamo Colleges District ("ACD") affecting Fiscal Year 2022 and Fiscal Year 2023 ("New ILA").

**BACKGROUND INFORMATION:**

In March 2001, City Council authorized a 15-year settlement agreement between the City and ACD to place in an Education and Training Fund escrow account the City's 14 percent of CPS Energy revenues collected from ACD's monthly natural gas and electrical billings ("Settlement"). The original Settlement term ended in 2016 and was renewed for an additional 15 years through 2031. The Settlement requires that the City and ACD update an ILA regularly to approve the budget. The current ILA was approved on September 19, 2019, by Ordinance Number 2019-09-190755, terminates on August 31, 2021 and supports the following: (1) the Alamo Academies; (2) City employee training programs administered by the Human Resources Department; (3) the Economic Development Department Mentor-Protégé Program; and (4) the Department of Human Services Training for Job Success Program.

**ISSUE:**

Lower than anticipated CPS Energy payments resulting from increased energy efficiency and COVID-19 pandemic closures resulted in less than anticipated funding available for Fiscal Year 2021 along with lower projections for FY2022 and 2023 compared to prior years. In addition, surplus funding in the escrow account is no longer available. The table below provides program funding history and proposed budgets.

ACD ILA History	FY2020 Actuals	FY2021 Estimates	FY2022 Projections	FY2023 Projections
Alamo Academies (ACD)	\$485,416	\$443,462	\$400,000	\$400,000
Training for City Employees (HR)	\$438,294	\$396,000	\$350,000	\$350,000
Mentor-Protégé Program (EDD)	\$94,000	\$94,000	\$94,000	\$94,000
Train for Job Success (DHS)	\$70,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$1,087,710.00</b>	<b>\$933,462.00</b>	<b>\$844,000</b>	<b>\$844,000</b>

## 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 Diesel Technology Academy (DTA).

Department of Human Resources – The City’s Human Resources Department coordinates and develops employee education and development initiatives including specialized training. This 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).

Economic Development Department – The City’s Economic Development Department utilizes funding to operate the Small Business Mentor-Protégé Program. This program provides capacity-building educational courses, referred to as the Small Business Boot Camp, specific to the needs of small business (courses include How to Write a Business Plan, Managing Your Financials, Access to Credit, and Marketing). The program provides individualized business counseling and facilitates mentor-protégé partnerships, which allow small businesses to learn successful business practices from experienced industry leaders.

To adjust for decreased projected revenues and given the alignment with the City’s increased workforce development efforts, staff recommends the Department of Human Services (DHS) Training for Job Success program be funded by the general fund appropriations for workforce development training. The Train for Jobs Success program provides education/employment skills training, which assists individuals in making permanent improvements in their lives to move toward self-sufficiency.

**ALTERNATIVE:**

This item is for briefing purposes only.

**FISCAL IMPACT:**

There is no fiscal impact to the City. The renewal of the ILA includes a funding in the amount of \$844,000 in ACD's 2022 and 2023 fiscal years based on estimated future CPS Energy revenues (the City's 14% share of CPS Energy revenue collected from ACD's monthly natural gas and electrical billings). CPS Energy revenues are placed in an Education and Training Fund escrow account maintained by ACD.

**RECOMMENDATION:**

Staff recommends that the EWDC approve ILA renewal to administer funds for education and training programs in accordance with the Settlement and forward for full City Council consideration.