



**Office of the Houston City Controller  
Harvey Recovery Oversight Committee (HROC) Meeting  
April 25, 2018**

**Meeting held at: Controller's Office 8<sup>th</sup> Floor Conference Room**

<b>Committee Members Present:</b>	<b>Members Not in Attendance:</b>
City Controller Chris Brown; Chair	Shannan Nobles, Chief Deputy Controller
Courtney Smith, City Auditor	
Alexander Obregon, Deputy Controller	
Christine Lally	
Michael Porier	
Gary Horn	
John Sorrells	
Representative from Department of Homeland Security, Office of Inspector General	

**I. Meeting Called to Order at 10:30 AM** **by Controller Brown**

**II. Introductions**

- **Controller Brown** welcomed committee members and thanked them for their continued commitment to the committee and the City of Houston.

**III. Committee Review**

- **Controller Brown** shared the questions that the Controller's Office submitted to the city's Finance Department regarding the Harvey recovery process. Those questions covered the following topics:
  - Timeline for insurance disbursements for Harvey;
  - Progress of recovery project submissions to FEMA;
  - Known concerns relating to Houston First procurement processes; and
  - Clarification of the city's use of 428 public assistance program
- **Controller Brown** stressed the need for the city to efficiently expend recovery-related resources.
- **Committee Member #1** inquired as to how the city's insurance premium proceeds are being received and expended.
  - **Controller Brown & Deputy Controller Obregon** described the process as has been shared with the Controller's Office via the city's Finance Department.

- **The committee** expressed concern over the lack of a funding disbursement timeline and asked the Controller’s Office to submit follow-up questions specifically related to the timeline.
- **The committee** also shared concerns about the project submittal rate. **Controller Brown** stressed the importance for the city to ensure proper documentation for reimbursement process.
- **The committee** recommended several questions to be submitted to TetraTech – the city’s recovery consultant.
- **Controller Brown** shared that the Controller’s Office has requested documentation pertaining to recovery contracting for Houston First Corporation. **Controller Brown** also shared the Controller’s Office concerns regarding the transparency around processes followed relating to submitting requests for reimbursement.
- **Committee member #2** asked whether TetraTech is responsible for ensuring that proper reimbursement submission guidelines were followed. **Committee member #2** also recommended that an assessment be done regarding Houston First’s adherence to FEMA procurement guidelines.
- **Controller Brown** expressed that the main concern of the Controller’s Office is whether the city – or any related entity – is not reimbursed for its share of expenses due to a lack of proper documentation.
- **Committee member #3** asked for clarification around recovery reimbursement submission deadlines. **Controller Brown** shared that the Controller’s Office had not been made aware of pertinent deadlines, but would submit those questions to the appropriate department(s).
- **Controller Brown** shared that a project dashboard was being developed by the city’s Finance Department and would provide more insight into the status of ongoing projects. There is currently no clear timeline for when the dashboard tool will be ready for use.
- **Controller Brown** described the 428 public assistance program. **Committee member #4** inquired into who the “point person” is for the city’s approach to the 428 program. **Controller Brown** said that the Controller’s Office would submit that question to the administration.
- **Committee member #5** shared that the city may be underinsured at the current \$100 million policy limit. **City Auditor Courtney Smith** shared that the city’s current policy maximum would be part of the Audit Department’s regular review in its Enterprise Risk Assessment.
- **Controller Brown** shared that the city’s Chief Recovery Officer asked the committee to review the \$1.2 billion in HUD and CDBG funds that have begun to funnel down to the City of Houston.
- **The Controller’s Office** also shared with the committee a list of Harvey-related City Council agenda items for review and advice on whether any further questions should be asked.

#### IV. Discussion

- **Controller Brown** asked the committee to provide recommendations on potential audits relating specifically to Harvey recovery efforts that the Audit Division can include in its annual Enterprise Risk Assessment.

**V. Future Meeting Dates**

- The next meeting date is tentatively set for August 2018.

**VI. Adjournment**

- Meeting adjourned at 11:23 AM.