



Hidalgo County Head Start Program

Policy Council Regular Meeting

DATE: October 20, 2021

SUBJECT: Discussion/Approval of Request for Authorization to Dispose of Modular Units no Longer Needed as Classrooms, in Accordance with 45 CFR §75.320 or §75.320(e)(1) from the Office of Head Start, Administration for Children & Families, Department of Health and Human Services

RATIONALE/NEED:

As a result of our school districts partnerships we continue to relocate classrooms to school campuses from our older modular facilities. We have amassed an inventory of modular units, most of which are situated on private properties. Currently we have five (5) modular units; Alton, Hidalgo, Las Milpas I, Western Road, which are placed on private property, requiring the Program to pay maintenance and rental fees. Palmview I is on County property and does not require a rent payment. By properly disposing of these modular units the Program will be able to cancel the lease agreements and realize notable savings in our annual budget.

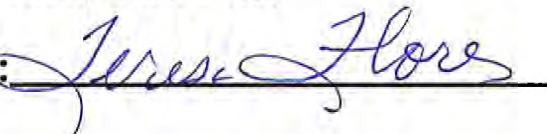
RECOMMENDATION: Administration recommends approval.

COST:

RELATED INFORMATION INCLUDES: Memorandum

INITATED BY: Edmundo Garcia, Assistant Program Director

REVIEWED BY: Teresa Flores, Executive Director

EXECUTIVE DIRECTOR'S APPROVAL: 



Hidalgo County Head Start Program

Memorandum

Date: October 14, 2021

To: Policy Council Members and Commissioners' Court (Grantee Board) Members

From: Teresa Flores, Executive Director

Re: Requesting Approval to Dispose of Five (5) Modular Buildings

As we relocate to better classrooms on school districts campuses and we move out of some of our older modular classrooms, their usage is mainly relinquished to storage. Since most of these modular buildings are located on leased land owned by other entities, we must take action as allowed under the grant to dispose of them, or continue to pay rent and maintenance costs.

The following facilities are currently not used as classrooms:

Center Name	Annual Lease	Building Sq. Ft.	Construction Date	Construction Cost	Appraised Value	Land owner
Alton 202 West Dawes Ave. Alton, Texas 78572 6 Classrooms	N/A	7,265	1995	\$478,233	\$120,000	City of Alton
Hidalgo 601 Second St. Hidalgo, Texas 78557 3 Classrooms	\$12	3,488	1992	\$128,688	N/A	City of Hidalgo
Las Milpas I 714 Zapata Pharr, Texas 78577 6 Classrooms	\$12	6,384	1995	\$481,815	N/A	City of Pharr
Western Road 8245 E. Poinsetta Dr. Mission, Texas 78573 3 Classrooms	\$700	4,200	1999	\$170,000	N/A	Catholic Diocese of Brownsville
Palmview I 1208 Paula Dr. (Rear Unit I) 5 Classrooms	N/A	7,670	1994	\$212,375	N/A	Hidalgo County

Under our Head Start Grant, we can dispose of these modular units as per *§75.32(e) Equipment*, "items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the HHS awarding agency". "Items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by the non-Federal entity or sold. The HHS awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the HHS awarding agency's percentage of participation in the cost of the original purchase."

In addition to selling or relocating these facilities, the Health and Human Services Department may allow us to transfer the property to other organizations providing services to the community; this would defray or eliminate any relocation costs to our program.

To begin the process Administration is recommending enlisting the services of a professional appraiser in order to assess the Fair Market Value (FMV) of these modular units. We will also obtain estimates of relocation and demolition costs. The Program will then ask for disposition instructions from the Health and Human Services Department and proceed with the disposition for the modular units listed above.

Leaseholders for our Alton and Western Road units have already asked us to relocate our facilities.

Alton





Hidalgo

Las Milpas



Western Road



Western



Palmview 1
