

OPINION

HOUSTON CHRONICLE
FOUNDED 1901 • A HEARST NEWSPAPER

Nancy A. Meyer • PUBLISHER & PRESIDENT

Jack Sweeney
CHAIRMAN

Kelly Ann Scott
SVP/EDITOR-IN-CHIEF

Alejandra Matos
MANAGING EDITOR FOR AUDIENCE
AND CONTENT STRATEGY

Jennifer Chang
SENIOR DIRECTOR OF
EXPERIMENTATION AND INNOVATION

Lisa Falkenberg
VP/EDITOR OF OPINION

Raj Mankad
DEPUTY OPINION EDITOR

EDITORIAL

Don't just rubber stamp firefighters' deal

If there's one lesson that Houstonians learned from years of financial mismanagement at City Hall, it's that skepticism is a virtue.

Former Mayor Lee Brown learned that the hard way. In 2001, Brown supported state legislation that would increase benefits for city workers. Pension boards assured Brown that investments would generate a sizable return to pay for the benefits, as long as the city contributed roughly 15-20% of its payroll each year.

If only that were true. It turns out an actuarial firm hired by the pension boards was wildly optimistic in its cost estimates. By the time Sylvester Turner took over as mayor in 2016, taxpayers were saddled with nearly \$8 billion in unfunded pension obligations and the city risked bankruptcy if it didn't find a solution. Turner shepherded pension reform through the Legislature in 2017, and that, combined with previous renegotiating of police and municipal benefits, put Houston and its pensions on a stable path to recovery.

Houston should avoid such mistakes at all costs. That's why, as we find ourselves facing down another complex agreement with profound financial implications — Mayor John Whitmire's \$650 million agreement with firefighters for back pay and raises — we're glad there's a voice in city government scrutinizing the deal and asking nagging questions until they get answered.

It's the job of Controller Chris Hollins to act as a watchdog over city finances. In our view, that's his obligation even in situations where his technical responsibilities are rather narrow.

Hollins, who must certify a portion of the collective bargaining agreement before the council votes to approve it, urged Whitmire last week to pump the brakes. He sent the mayor a 10-page letter with 44 questions about the deal.

Whitmire, a longtime ally of the union as a state senator, campaigned on ending this stalemate over firefighter compensation and he promptly delivered on that promise. Firefighters have been working for far too long without a contract and deserve adequate pay, benefits and stability for their families.

Only issue is, we still don't know how we're going to pay for it. Even if the judgment bond the two sides agreed to — which the City Council approved last week on a 14-3 vote — spreads the financial pain out over 25 to 30 years, the sum will likely exceed \$1 billion with interest.

Whitmire is asking us to trust that he will figure that out. We'd certainly like to give him the benefit of the doubt, but the city is already facing a \$87 million hole, a deficit which will only grow after the council approved a \$6.6 billion budget. The city plans to dip into its cash reserves to get them in the black for the next fiscal year, but that's not a sustainable strategy.

Enter Hollins, a first-term controller whose political ambitions, including a brief run for mayor, may lead some to

look askance at his delay in signing off on the deal.

Whitmire told us the two sides were working late Thursday night to allay the controller's concerns and answer his questions. Still, Whitmire maintains that Hollins' only legal obligation in this process is to certify that the city has the funds to pay the \$6.5 million the fire union is owed for legal fees.

"The only area that he really can speak to is the \$6.5 million," Whitmire told the editorial board on Friday. "He needs to certify that we've got it, which we do."

It was unclear late Friday where Whitmire and Hollins stood in their own conversations. They couldn't even seem to agree on whether they agreed.

Friday afternoon, the Chronicle's Dylan McGuinness reported that Whitmire informed City Council that

Hollins plans to certify the contract before the agreed-upon June 19 deadline. In a statement released to the media on Friday evening, Hollins denied this, saying "the mayor doesn't speak for me or my office," and he hasn't made a decision yet.

Reasonable legal minds may disagree about Hollins' specific role in certifying the agreement — the controller told us he is seeking his own legal counsel on that front — but it appears to us that he's just doing his job in trying look out for Houston taxpayers.

Hollins' pestering the city for clarifications about specific provisions of the agreement will only help inform council members' decision to approve it. Hollins told us he is trying to shed light on a deal that was brokered behind closed doors.

"It's my job to ensure transparency and the City Council's job to vote on the merits of the deal," Hollins told us on Thursday. "But they have to understand them first. The information has to be made available."

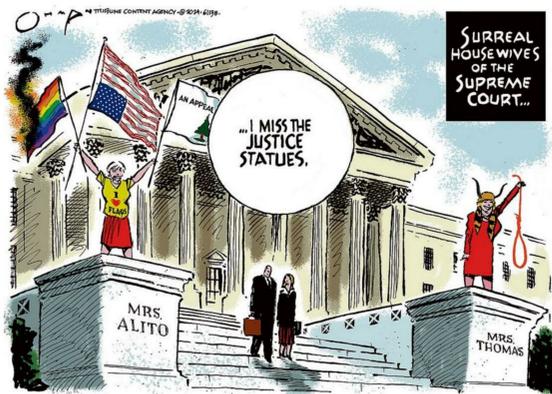
Hollins' main sticking point with the agreement is something called an "escalator clause," which states the city will give the firefighters 10% raises in the coming fiscal year, with additional scheduled raises in the next four years. Depending on how much additional revenue the city can find in the coming years, those future raises could range from 24% to 34% — a difference that Hollins says amounts to roughly \$120 million. With the June 19 deadline approaching, Hollins believes the two sides should add specific conditions — such as an exact revenue figure the city would need in its general fund — which would trigger the higher raises. We believe that's a reasonable concern which shouldn't in any way scuttle the agreement.

The mayor may well have gotten taxpayers the best deal possible — he argues taxpayers could have been on the hook for much more if the two sides went to trial. But forgive us if we don't just take his word for it.

The mayor, too, should be grateful for the extra set of eyes. Belaboring the fine print on a good deal is generally preferable to rubber stamping a bad one.

Houston City Controller Chris Hollins is raising questions about the \$650 million agreement with HPD's union for back pay and raises.

Melissa Phillip/Staff file photo



OPINION

Offshore wind energy is not a threat



Turbines operate at the Block Island Wind Farm on Dec. 7, 2023, off the coast of Rhode Island. The Bureau of Ocean Energy Management plans to offer a lease sale in the Gulf this year.

Julia Nikhinson/
Associated Press

By Hugh Daigle

Texas is a leader in wind energy production. The Electric Reliability Council of Texas reports that 24% of electricity generated in its service region in 2023 came from wind. Renewable energy — mainly solar and wind — were essential to meeting peak electricity demand during our hot summer of 2023. Offshore wind development could help meet growing electricity needs by providing enough energy to meet the demand of 1.2 million homes — roughly half the households in the Houston area.

Despite all this, this spring our state leaders in the General Land Office wrote a letter to the Biden administration opposing offshore wind development on environmental grounds, including the turbines' possible harms to birds, fish and marine mammals, including the endangered Rice's whale. I am trained in marine geology and teach and research in the areas of sustainable energy, and I want to set the facts straight on offshore wind in Texas.

Texas is the top state in the U.S. in terms of both electricity generation and consumption. Our electricity comes from diverse sources, including natural gas, wind, coal, nuclear, solar and biomass. This diversity is key to grid reliability. During the cold snap in January 2024, natural gas generation made up for low solar and wind generation on cold mornings, and wind and solar help out on hot summer days. As Texas' population grows and electricity demand increases, we will need more of nearly all energy sources.

Just as the Gulf of Mexico accounts for 15% of domestic oil production, its wind energy resources can help satisfy our growing energy needs. According to the National Renewable Energy Laboratory, the total wind resource potential in the Gulf could be enough to power over 150 million homes. Later this year, the Bureau of Ocean Energy Management plans to offer a lease sale for wind generation in areas offshore of Louisiana and Texas.

These proposed lease areas are all more than 20 miles offshore, and so should avoid the most serious impacts to migrating birds. The issuance of a lease does not guarantee that a wind farm will be constructed, and there are many additional steps in the permitting process where impacts to wildlife can be minimized and mitigated.

Any offshore activity has the poten-

tial to cause harm to wildlife. There are many sources of ocean noise, including boat traffic and oil and gas exploration, and researchers are studying its effects on marine life and how to reduce risk. However, the National Oceanic and Atmospheric Administration specifically states that there are no known links between noise from offshore wind development and whale deaths. Studies in Europe, where offshore wind development has been ongoing for decades, have actually shown a net benefit to fish populations by providing shelter in the underwater portions of the turbines. Impacts to birds are a concern, but turbines can be designed and located in ways to minimize harm, and in reality cats are responsible for many thousands times more bird deaths in the U.S. than collisions with wind turbines.

And most importantly, we should remember that the Gulf of Mexico already has about 3,500 offshore oil and gas structures, and that hydrocarbon extraction comes with its fair share of environmental risk, including lighting that can harm birds, ocean noise, and the risk of oil spills. The rare accidental spillage of the 370 gallons of oil in a large wind turbine pales in comparison to the 134 million gallons of oil released by the Deepwater Horizon disaster.

Making offshore wind energy work involves cooperation across multiple groups, including finding a market for the electricity and permitting at the state level for transmission lines to come onshore. Louisiana has set an example on this front, with offshore wind development moving ahead with accompanying private investment and jobs. Texas is the energy capital of the world, and we should continue our leadership in energy innovation. Offshore wind can be a valuable addition to our energy portfolio when all stakeholders work toward its success. Texans should support the development of this energy resource.

Hugh Daigle is an associate professor of petroleum and geosystems engineering at the University of Texas at Austin.

BIBLE VERSE

The LORD brings death and makes alive; he brings down to the grave and raises up. The LORD sends poverty and wealth; he humbles and he exalts.

1 Samuel 2:6-7

SEND LETTERS TO THE EDITOR

Viewpoints c/o Houston Chronicle, 4747 Southwest Freeway, Houston, Texas, 77027 or viewpoints@chron.com. We welcome and encourage letters and emails from readers. Letters must include name, address and telephone numbers for verification purposes only. All letters are subject to editing.

