

**STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO**

A WORK SESSION AND REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO WERE HELD IN THE MUNICIPAL PLAZA BUILDING, WEDNESDAY, MAY 30, 2012, AND MAY 31, 2012, RESPECTIVELY.

The San Antonio City Council convened in a Work Session at 2:00 pm Wednesday, **May 30, 2012**, Municipal Plaza Building, with the following Councilmembers present: Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **ABSENT:** None.

1. STAFF BRIEFING AND POSSIBLE ACTION ON THE PROPOSED IMPLEMENTATION STRATEGY FOR THE FUTURE EXPANSION OF THE HENRY B. GONZALEZ CONVENTION CENTER.

Michael Sawaya presented a history of the Henry B. Gonzalez Convention Center noting that it was built as part of the 1968 World's Fair. He stated that the facility includes 63 meeting rooms and four exhibit halls with 426,000 square feet of contiguous exhibit space. He indicated that an expansion to the Convention Center was needed due to strong market demand for space and to create uniformity throughout the facility. He reported that the average annual economic impact from 2006-2011 was \$465,245.601 and could total \$516,038,944 with the expansion.

Mr. Sawaya stated that the proposed expansion would increase the contiguous exhibit space from 426,000 to 500,000 square feet and would include a new multipurpose room and the largest Ballroom in Texas. He indicated that it would improve the competitive position of San Antonio nationally from 22nd place to 8th place. He noted that there would be a new, well-defined entrance to the Convention Center and that the food services and support spaces would be improved. He added that there would be an opportunity to expand HemisFair Park by 12 acres.

Ben Gorzell presented the proposed financing plan for the expansion noting that it would cost \$325 million to fund and that \$254 million in existing Hotel Occupancy Tax (HOT) Debt would be refinanced. He reported that the current HOT is 16.75% and that the city imposes a HOT at a rate not to exceed 9% of the price paid for a room. He explained that 7% of the General HOT is used to support tourism, convention activities, and cultural programming across the city. He noted that the remaining 2% of the HOT could only be used for the expansion of the Convention Center pursuant to the adopted Convention Center Expansion Plan. He reported that city staff and financial advisors had assessed various options available to fund the expansion and that HVS Convention Sports & Entertainment Facilities Consulting recommends utilizing Public Facility Corporation (PFC) Bonds.

Mr. Gorzell outlined the advantages of PFC Bond Issuance that include a lower overall cost of borrowing and the ability to account for future growth of HOT Revenues. He indicated that there was no requirement for Debt Service Reserves and that there would be greater flexibility to manage debt under changing economic conditions. He provided a 30-Year Growth Forecast of City HOT Revenues in which 3.12% was the projected growth from year 2020 and beyond. He noted a historical average growth of 4.70% from Years 1995-2011. He explained that the financing plan utilizes a portion of the annual growth of the 7% of HOT and entire 2% of HOT Revenues for lease payments. Additionally, it

utilizes the remainder of the State Rebates from the Convention Center Headquarters Hotel and existing cash on hand to make lease payments.

Mayor Castro asked of the increment of growth of the HOT. Mr. Gorzell replied that it was roughly 1/3 of the growth and was assumed to grow at an average of 3.37%. Mayor Castro stated that the Convention Center Expansion was a component of HemisFair Park and asked of the collaboration and timeline. Mr. Sawaya replied that construction would begin with the realignment of Market Street and that they have been working with the HemisFair Park Area Redevelopment Corporation (HPARC). Ms. Sculley added that HPARC would be a part of the design concept team and that there would be integration between the Convention Center and HemisFair Park. Mayor Castro referenced Slide 10 and San Antonio moving up to 8th Place in National Size and Ranking. Mr. Sawaya noted that the goal was to be in the Top 10. He stated that there would be flexibility to accommodate multiple events and additional exhibit space.

Councilmember Williams asked of the status of the Mission Room. Mr. Sawaya confirmed that the Mission Room would remain in its current location. Councilmember Williams asked of prime contiguous space. Mr. Sawaya replied that prime contiguous space was 426,000 square feet and would be increased to at least 500,000 square feet. Councilmember Williams asked of the entrance to the Convention Center. Mr. Sawaya referenced the map on Slide 11 and stated that the main entrance would be located at the center of the overall complex. Councilmember Williams asked of the refinancing. Mr. Gorzell stated that a portion of the \$254 million in existing HOT Debt was being refinanced at 6% and another portion at 5 ¼% since it was a variable rate.

Councilmember Chan asked of the rationale for creating a PFC. Mr. Gorzell replied that it allowed the city to reach the needed capacity to move forward with the expansion project and provides a low cost for borrowing. Councilmember Chan asked of the number if only the HOT Revenue was financed. Mr. Gorzell replied that they had not run that projection but would be significantly lower than the \$325 million. Councilmember Chan requested that the information be provided to her.

Councilmember Bernal stated that he was pleased that the city would move into 8th Place nationally and referenced Slide 31. He asked if there would be a reduction in funds provided to the other departments funded by the HOT. Mr. Gorzell replied that there would not be a reduction and that they would only take the portion of the growth for the expansion project. Councilmember Bernal stated that the expansion was visionary and deliverable and that he had full confidence in the project.

Councilmember Soules asked of the assumptions utilized in the growth in operation costs. Mr. Gorzell replied that they had performed a 30-year operating model and took into consideration items such as compensation and healthcare. He stated that they connected the operating model with the debt model. Councilmember Soules asked of the breakdown of HOT Tax and Revenues. Mr. Sawaya replied that the HOT Tax funds 50% of expenses. Councilmember Soules stated that he would like to see a breakdown of same.

Councilmember Bernal asked if any capacity at the Convention Center would be lost. Mr. Sawaya replied that they would operate the full convention center until the new space was completed.

Councilmember Saldaña referenced Slide 28 and asked of the projections. Mr. Gorzell replied that it was a moderate projection based on analysis conducted. Councilmember Saldaña asked of other uses of

the \$2.3 million projected as lease payment contribution. Mr. Gorzell replied that it could continue to be utilized for operations and that there were limited uses.

Councilmember Lopez asked of the Investor Marketing listed on Slide 34. Mr. Gorzell replied that they would perform outreach to potential investors in the city's bonds.

Mike Frisbie presented on the project delivery component of the expansion. He outlined the project scope in which Market Street would be realigned to run parallel to Commerce Street and Eastbound movement would be added to Commerce Street. He indicated that the Southbound IH-37 Exit Ramp to Cesar Chavez Street would be realigned and that utilities would be realigned as needed. He provided a construction schedule for Market Street Realignment and indicated that construction would begin in March 2013 and completed in June 2014.

Mr. Frisbie reported that the city had hired Populous who partnered with Marmon Mok to conduct a facility assessment, feasibility study, and preliminary space recommendation of the Convention Center. He stated that the Master Plan was presented to the City Council in December 2011. He noted that the city is contracting with Douglas/Broadus to evaluate the previous Master Plan created by Populous and create the Expansion Program. He mentioned that construction on the Design-Build Project would begin in September 2013 and be completed in April 2016. He added that the West End Demolition was scheduled for completion in July 2016. Lastly, he outlined the scoring criteria for the Request for Qualifications (RFQ) and Request for Proposals (RFP).

Rene Dominguez presented the Small Business Economic Development Advocacy (SBEDA) Program Goals. He stated that the recommendations were based on the project size and scope; historical Minority/Women-Owned Business Enterprise (M/WBE) and Small Business Enterprise (SBE) utilization on large vertical projects; and availability of M/WBE and SBE Firms within the San Antonio Metropolitan Statistical Area. He reported that staff recommended SBEDA Goals of 30% M/WBE Subcontracting and 35% SBE Subcontracting. He indicated that M/WBE participation would count toward the SBE Participation Goal. He added that five evaluation preference points would be provided for Prime Respondents enrolled as Mentors in the City's Mentor/Protégé Program. He reported that the tools that allow the city to recommend Race Conscious Goals are included in the ordinance and no amendment would be necessary.

Mayor Castro asked of the construction timeline compared to construction on the Northwest Corner of HemisFair. Pat DiGiovanni stated that the design was not complete and therefore, a timeline was not yet available. Mayor Castro stated that he would like for the construction of the Northwest Corner of HemisFair Park to begin immediately after the expansion is complete. He asked of the Mentor/Protégé Program. Mr. Dominguez replied that there were 29 protégés and three mentors and that the protégés attend a Small Business Bootcamp and then are paired with mentors. Mayor Castro stated that he would like to ensure integration and coordination with the HemisFair Park Plan. He added that he does not want the architecture to look boring and stressed the importance of participation by Local, Small, Minority and Women-owned Businesses.

Councilmember Bernal referenced Slide 50 and confirmed that the SBEDA Goals were Race and Gender Conscious. Mr. Dominguez confirmed same. Councilmember Bernal stated that there was a good pool of businesses that could perform the work and eligible to be part of a larger team. He stated that the quality of the work should not be compromised and asked of the RFQ and RFP Processes. Mr. Frisbie replied that the respondent would have to include their proposed team in the RFQ and commit to

meeting the SBEDA Goals. He stated that the top 2-3 firms would move through the RFP Process. Ms. Sculley added that there was flexibility in the outreach and diversity plan that could provide up to five additional points.

Councilmember Chan asked of the programming to include performance specifications and conceptual design layout on Slide 44. Mr. Frisbie explained that performance specifications would include components such as electrical, mechanical, roofing, and HVAC Systems. Councilmember Chan asked of City Council Input. Ms. Sculley replied that they would not begin construction without receiving input from the City Council and would provide regular updates. Councilmember Chan asked of the make-up of the Evaluation Team. Mr. Frisbie replied that they were working on that. Councilmember Chan asked of the Consultant Staff Augmentation referenced on Slide 45. Mr. Frisbie replied that it would be a new RFQ for services to assist city staff throughout the project. He noted that the Project Management for city staff and Consultant Staff Augmentation totaled 2% for this project. Councilmember Chan asked of the proposed price for General Conditions. Mr. Frisbie replied that a price component was not required within the RFP but would like to have one for the record. He noted that they would provide their percentage of overhead and profit but would not require a dollar amount. He added that it would be a component of the negotiation process and would be scored for up to 10 points.

Councilmember Williams asked if a budget would be requested. Mr. Frisbie replied that the total project cost could not be requested by law. Debbie Sittre added that only General Conditions, Overhead, and Profit could be requested. Councilmember Williams asked of other facilities in which the Design-Build Delivery Method was utilized. Mr. Frisbie stated that the Northwest Services Center and One-Stop were Design-Build. Councilmember Williams asked if an ability test was conducted on the available firms to perform the work. Mr. Frisbie replied that an ability test was not conducted.

Mayor Castro thanked staff for the presentation.

EXECUTIVE SESSION

Mayor Castro recessed the meeting at 4:10 pm to convene in Executive Session for the purposes of:

- A. DISCUSS LEGAL ISSUES RELATED TO REDISTRICTING, PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- B. DISCUSS LEGAL ISSUES RELATED TO *R. BROOKS HARDEE, TRUSTEE OF THE FAMCO TRUST, JOHN SCHAFFER AND RICHARD SCHAFFER V. CITY OF SAN ANTONIO*, PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- C. DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS AND DISCUSS RELATED LEGAL ISSUES PURSUANT TO TEXAS GOVERNMENT CODE SECTIONS 551.087 (ECONOMIC DEVELOPMENT) AND 551.071 (CONSULTATION WITH ATTORNEY).**
- D. DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY AND DISCUSS RELATED LEGAL ISSUES PURSUANT TO TEXAS GOVERNMENT CODE SECTIONS 551.072 (REAL PROPERTY) AND 551.071 (CONSULTATION WITH ATTORNEY).**

CEREMONIALS

Mayor Castro reconvened the meeting at 5:30 pm and addressed the Ceremonial Items.

Mayor Castro presented a Certificate of Heroism to Jasiah Rubalcava. It was noted that on March 1, 2012, Nicholas Carvajal, a Kindergarten Student at West Avenue Elementary School was choking on a chip during lunch in the school cafeteria. Without any hesitation, six-year old Jasiah Rubalcava rushed over to his fellow classmate and performed the Heimlich Maneuver. Jasiah was able to dislodge the chip until an adult came to Nicholas' aid.

Mayor Castro presented a Citation to Brandon Mojica and Joyce Paez in recognition of their receipt of the Bill Gates Scholarship. It was noted that both students attend the Young Achievers Program at the Boys and Girls Clubs of San Antonio and will each receive \$40,000 per year for their entire education journey. Mr. Mojica has been accepted to the University of Texas Business School and Ms. Paez will attend Texas A&M Corpus Christi.

Mayor Castro presented a Proclamation to the Karate Kids of America and the 2012 First Place Winners of the Karate Kids of San Antonio-Just Say No! Contest were presented. It was noted that the program was founded by Eli Guerra and follows the example of the national initiative created by Former First Lady Nancy Reagan. This city-wide contest invites students to write a letter in which they encourage their friends to "Just Say No" to drugs, alcohol and gangs.

CITIZENS TO BE HEARD

Mayor Castro announced that no action was taken in Executive Session and called upon the individuals registered to speak under Citizens to be Heard.

Mark Kellmann stated that he was an Architect and spoke of the Convention Center Expansion. He mentioned that by moving a portion of the Convention Center; there would be increased green space. He provided a diagram of the area and highlighted two large buildings and the proposed routes for the railcar system. He indicated that the North/South and East/West Routes were not the best solution as individuals would have to walk a great distance to access them.

Nazirite Ruben Flores Perez provided an article from the San Antonio Express News entitled, "Catholic Bishops Sue on Contraception Coverage." He stated that the time was coming and that Notre Dame was taking the lead on a lawsuit regarding medical benefits. He spoke of Babylon the Great and referenced the Book of Revelations in The Bible.

Theresa Berlanga asked if there was a federal law in place to prosecute youth that are caught performing graffiti. She commended public schools and Police Officers for encouraging children to say no to drugs. She also recognized Mother Elizabeth Toureilles of Ursuline Academy for her support of same.

Mark Perez expressed concern with city employees that are not adhering to city policies. He asked why NuStar was able to operate the AGE Refinery without the proper permits. He spoke of DPT Laboratories that was located in an I-1 Zoning and did not have a Special Use Permit. He mentioned concerns with Kelly Air Force Base that also did not have a Special Use Permit.

Faris Hodge, Jr. submitted written testimony noting that the city should not spend any more funds on Hardberger Park. He expressed concern with the three percent increase in tuition at the Alamo Colleges noting that students are having a hard time paying their tuition. He wrote in opposition to the 1/8th cent sales tax increase proposed by Mayor Castro and asked why there was a Black Police Officers Association. He commended Councilmember Bernal for co-hosting the CPS Energy Customer Care Fair in District 1. He requested that Time Warner Cable provide access to Channel 20 to individuals without a digital cable box. He asked that regular sodas be sold in the city vending machines at City Hall. He wrote that 90% of the Budget Meetings were not televised and expressed concern that youth programs are not offered at the Kenwood Community Center during the summer. He wrote that San Antonio wages are ranked at the midpoint of the overall salary range across the State of Texas.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 6:25 pm.

The San Antonio City Council convened in a Regular Meeting on Thursday, **May 31, 2012** at 9:00 am in the City Council Chambers.

ROLL CALL

City Clerk Leticia M. Vacek took the Roll Call and noted a quorum of the Council with the following present: Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **ABSENT:** None.

Item 1. The Invocation was delivered by Bishop Douglass Thompson, Pastor, Genesis Full Life Fellowship Church, guest of Councilmember Carlton Soules, District 10.

Item 2. Mayor Castro led the Pledge of Allegiance to the Flag of the United States of America.

Item 3. MINUTES

Councilmember Saldaña moved to approve the Minutes for the April 18-19, 2012 City Council Meetings. Councilmember Bernal seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, Saldaña, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** D. Medina.

POINT OF PERSONAL PRIVILEGE

Mayor Castro recognized the Honorable Counsel General of France for Texas, Oklahoma, and Arkansas, Frederic Bontems. He called upon Sherry Dowlatsahi of the International Affairs Office. Ms. Dowlatsahi stated that Mr. Bontems was visiting San Antonio to present three Medals of Legion of Honor to Veterans of World War II who had been in France. Mr. Bontems thanked the City Council for the recognition and stated that he was pleased with the friendship with the City of San Antonio. He noted that it was important to further develop the relationship, especially within history and tourism. Mayor Castro thanked Mr. Bontems for taking the time to visit San Antonio and stated that he looked forward to a great relationship with the Government of France. He presented Mr. Bontems with a gift of

a City of San Antonio Tie. Councilmember Chan also thanked Mr. Bontems for visiting San Antonio and stated that she looked forward to future visits.

Mayor Castro addressed Item 20 at this time.

ITEM PULLED FOR INDIVIDUAL CONSIDERATION

The City Clerk read the caption for Item 20:

2012-05-31-0390

Item 20. AN ORDINANCE AUTHORIZING A CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND XENEX HEALTHCARE SERVICES, LLC TO PROVIDE FINANCIAL INCENTIVES IN AN AMOUNT NOT TO EXCEED \$150,000.00 BASED ON XENEX'S COMMITMENT TO RELOCATE MANUFACTURING AND HEADQUARTERS OPERATIONS FROM AUSTIN TO SAN ANTONIO AND CREATE 27 NEW JOBS OVER TWO YEARS.

Rene Dominguez introduced Xenex Representatives that were present. He presented a Power Point noting that Xenex was a privately-held, venture-backed, bio-tech company founded in 2009 and headquartered in Austin. He reported that they are the manufacturer of a patented mobile disinfection machine to decontaminate patient care environments. He noted that they expect continued growth in sales to hospitals from 200 units in 2012 to over 1,000 units by 2014. He stated that to attract the Xenex Manufacturing Operations and Corporate Headquarters to San Antonio, staff recommends a financial grant of \$150,000 from the Economic Development Incentive Fund (EDIF). He indicated that Xenex must relocate from Austin; create a minimum of 27 jobs over two years; and remain in San Antonio for at least seven years.

Mayor Castro thanked Xenex for relocating to San Antonio and noted that they have a great track record of success. He stated that the Biosciences are a leading industry in San Antonio and Xenex will be a great asset for the city. He recognized Mr. Morris Miller, CEO of Xenex.

Mr. Morris addressed the City Council and stated that he was pleased to be back in San Antonio. He commended city staff for their work and achieving the economic development goals of the city.

Councilmember Chan welcomed Xenex to San Antonio and stated that Biotechnology and Healthcare were key industries that the City of San Antonio was focusing on. She thanked Xenex for investing and expanding in San Antonio.

Mayor Castro called upon Jack M. Finger to speak.

Mr. Jack M. Finger spoke in opposition to the economic development grant noting that it was not a loan and did not have to be paid back. He expressed concern that only 27 jobs would be created and that it would be located on the North side of the city. He stated that he was opposed to the increase in admission fees at the Witte Museum (Item 25A) since the city already provided funding to the Witte Museum.

Councilmember Chan moved to adopt the proposed Ordinance. Councilmember Williams seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Chan, and Mayor Castro. **NAYS:** Williams and Soules. **ABSENT:** None.

Item 4. OATH OF OFFICE – MAYOR PRO TEM

City Clerk Leticia M. Vacek administered the Oath of Office to Councilmember Elisa Chan to serve as Mayor Pro-Tem for the period of June 6, 2012 through August 16, 2012.

ITEMS FOR INDIVIDUAL CONSIDERATION

The City Clerk read the caption for Item 5:

2012-05-31-0014R

Item 5. A RESOLUTION DESIGNATING AN ILLUSTRATIVE REDISTRICTING MAP AND A SCHEDULE FOR PUBLIC HEARINGS.

City Attorney Michael Bernard stated that the City Council would not be voting on changing district lines at this time but would vote on the Illustrative Redistricting Map that would be presented to the community. He noted that four public hearings would be held for the community to provide input and that there would be opportunities to revise the map prior to the final vote in August.

David Mendez of Bickerstaff, Heath, Delgado, Acosta LLP stated that he had obtained input from the City Council and city staff regarding the existing imbalances among the Council Districts. He noted that he had prepared the Illustrative Redistricting Map based on the input received and that the community would have the opportunity to provide their input on same. He indicated that it was important to deal with population imbalance, as well as protect the voting rights of all of the citizens of San Antonio. He presented the 2010 Census Total Population and highlighted the great amount of growth within Districts 6 and 8. He outlined the map, comparing the current and proposed Council Districts. He indicated that he believed that the Illustrative Redistricting Map rebalances the districts while avoiding legal issues on voting rights for citizens.

Mr. Mendez outlined the Redistricting Criteria utilized: 1) Follow easily identifiable geographic boundaries; 2) Maintain communities of interest; 3) Use whole voting precincts; 4) Base the new districts on the existing districts; 5) Use the 2010 Census Data; 6) Districts should be compact and contiguous; 7) Maintain incumbent-constituent relationships; and 8) Protect voting rights. He provided a schedule and locations for the redistricting public hearings in the community.

Mayor Castro thanked Mr. Mendez for their work thus far. He spoke of the great process noting that it helps that the city operates in a non-partisan environment. He invited the public to provide their input through the upcoming redistricting public hearings.

Mayor Castro called upon the individuals registered to speak on Item 5.

Nazirite Ruben Flores Perez spoke in favor of redistricting and recommended that there be 12 City Council Districts. He stated that the Northside could look to the Southside for water when dealing with water contamination issues.

Jack M. Finger expressed concern that the Illustrative Redistricting Map was not included in the backup documentation prior to the Council Meeting. He stated that the proposed map looks gerrymandered like the current map and asked of the criteria regarding maintaining communities of interest.

Councilmember Saldaña moved to approve the Resolution. Councilmember Williams seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** None.

CONSENT AGENDA ITEMS 6-25B

Consent Agenda Items 8, 11, 16, and 21 were pulled for Individual Consideration.

Councilmember Ozuna moved to approve the remaining Consent Agenda Items. Councilmember Lopez seconded the motion.

Mayor Castro announced that there were no individuals registered to speak on the Consent Agenda.

Faris Hodge, Jr. submitted written testimony in favor of Items 5, 9A-11, 13, 14, and 19-24. For Item 5, he wrote that the city needs four more City Council Districts. He wrote in opposition to Items 12, 16, 18, and 25. He asked that the admission fee at the Witte Museum not be increased in Item 25.

The motion to approve the remaining Consent Agenda Items prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** None.

2012-05-31-0377

Item 6. AN ORDINANCE ACCEPTING THE BIDS FROM HOLT POWER SYSTEMS AND DEWINNE EQUIPMENT CO. TO PROVIDE 14 ZERO TURN RIDING MOWERS FOR A TOTAL COST OF \$129,595.40, FUNDED WITH THE EQUIPMENT RENEWAL AND REPLACEMENT FUND.

2012-05-31-0378

Item 7. AN ORDINANCE AUTHORIZING THE CITY TO UTILIZE A COOPERATIVE CONTRACT WITH GRANDE TRUCK CENTER TO PROVIDE THE SAN ANTONIO FIRE DEPARTMENT WITH 2 FIRE APPARATUS BRUSH TRUCKS FOR A TOTAL COST OF \$238,316.00, FUNDED WITH THE EQUIPMENT RENEWAL AND REPLACEMENT FUND.

Item 9. CONSIDERATION OF THE FOLLOWING IN CONNECTION WITH THE 2012 MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT WITH SOVEREIGN BANK, N.A.

2012-05-31-0380

A. AN ORDINANCE APPROVING THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT WITH SOVEREIGN BANK, N.A. AND AN ESCROW AND ACCOUNT

CONTROL AGREEMENT WITH SOVEREIGN BANK, N.A. AND THE FROST NATIONAL BANK, APPROVING EXHIBITS AND RELATED SCHEDULES TO THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT IN THE AMOUNT OF \$5,513,580.98, FOR THE ACQUISITION OF SOLID WASTE MANAGEMENT BRUSH COLLECTION AND REFUSE COLLECTION TRUCKS.

2012-05-31-0015R

- B. A RESOLUTION AUTHORIZING THE REIMBURSEMENT OF FUNDS PREVIOUSLY EXPENDED FROM THE PROCEEDS OF THE 2012 MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT ENTERED INTO BETWEEN THE CITY OF SAN ANTONIO AND SOVEREIGN BANK, N.A.

2012-05-31-0381

Item 10. AN ORDINANCE ACCEPTING THE LOWEST RESPONSIVE BID AND AWARDING A CONSTRUCTION CONTRACT WITH FOUR ADDITIVE ALTERNATES IN THE AMOUNT OF \$243,138.00 PAYABLE TO MJC & ASSOCIATES FOR THE WILLIE CORTEZ SENIOR MULTI-SERVICE CENTER FACILITY EXPANSION PROJECT, AN AUTHORIZED CERTIFICATES OF OBLIGATION AND TAX NOTES FUNDED PROJECT, LOCATED IN COUNCIL DISTRICT 4.

2012-05-31-0383

Item 12. AN ORDINANCE AUTHORIZING AN AMENDMENT IN AN AMOUNT NOT TO EXCEED \$500,000.00 TO EACH OF THE TWO ON-CALL PROFESSIONAL SERVICES AGREEMENTS WITH DOUGLAS ARCHITECTS, INC. AND FACILITY PROGRAMMING AND CONSULTING FOR PROGRAMMING AND MASTER PLANNING CONSULTING SERVICES FOR CITY-OWNED FACILITIES AND IMPROVEMENTS, CONSTRUCTION PROJECTS AND PLANNING PROJECTS LOCATED CITY WIDE, FOR A TOTAL NOT TO EXCEED \$1,000,000.00 FOR EACH CONTRACT.

2012-05-31-0384

Item 13. AN ORDINANCE AWARDING A TASK ORDER CONSTRUCTION CONTRACT WITH AUSTIN CONSTRUCTORS, LLC, IN AN AMOUNT NOT TO EXCEED \$4,085,650.00, OF WHICH \$73,000.00 IS TO BE REIMBURSED BY SAN ANTONIO WATER SYSTEMS, FOR CONSTRUCTION OF STREET, DRAINAGE, TRAFFIC AND PEDESTRIAN ACCESS RELATED PROJECTS FOR THE 2012-2014 TASK ORDER CONTRACT FOR PUBLIC WORKS MAINTENANCE AND CONSTRUCTION PACKAGE F.

2012-05-31-0385

Item 14. AN ORDINANCE AUTHORIZING A 10 YEAR TERM LICENSE AGREEMENT TO HEARST NEWSPAPERS, LLC, D/B/A SAN ANTONIO EXPRESS-NEWS TO USE A 0.0425 OF AN ACRE PARCEL OF LAND OUT OF LOT 25, BLOCK 22, NCB 559 IN COUNCIL DISTRICT 2 FOR A TOTAL FEE OF \$6,589.00.

2012-05-31-0386

Item 15. AN ORDINANCE RATIFYING THE SUBMISSION OF A GRANT APPLICATION AND AUTHORIZING THE ACCEPTANCE AND APPROPRIATION OF GRANT FUNDS IN THE AMOUNT OF UP TO \$53,000.00 PROVIDED BY THE AID TO HELPLESS ANIMAL FUND OF THE SAN ANTONIO AREA FOUNDATION FOR ADDITIONAL SPAY/NEUTER SURGERIES.

Item 17. CONSIDERATION OF THE FOLLOWING BOARD, COMMISSION AND COMMITTEE APPOINTMENTS FOR THE REMAINDER OF UNEXPIRED TERMS OF OFFICE TO EXPIRE MAY 31, 2013, TO BE EFFECTIVE IMMEDIATELY UPON THE RECEIPT OF EIGHT AFFIRMATIVE VOTES, OR, IN THE EVENT EIGHT AFFIRMATIVE VOTES ARE NOT RECEIVED, TEN DAYS AFTER APPOINTMENT:

- A. APPOINTING CRIS VIEYRA, JR. (DISTRICT 1) TO THE CITY COMMISSION ON VETERANS AFFAIRS.
- B. APPOINTING CYNTHIA SPIELMAN (DISTRICT 1) TO THE SAN ANTONIO COMMISSION ON LITERACY.

2012-05-31-0388

Item 18. AN ORDINANCE AUTHORIZING A THREE-YEAR PROFESSIONAL SERVICE AGREEMENT WITH MICHAEL G. MORONEY & ASSOCIATES, INC. FOR AIRPORT FINANCIAL CONSULTING SERVICES FOR AN AMOUNT NOT TO EXCEED \$450,000.00 FOR THE SAN ANTONIO AIRPORT SYSTEM.

2012-05-31-0389

Item 19. AN ORDINANCE AUTHORIZING THE ONE-YEAR EXTENSION OF A CONTRACT WITH SRA INTERNATIONAL, INC. FOR THE NOISE AND OPERATIONS MONITORING SYSTEM AT THE SAN ANTONIO INTERNATIONAL AIRPORT.

2012-05-31-0392

Item 22. AN ORDINANCE AUTHORIZING THE EXECUTION AND RATIFICATION OF MULTIPLE CHANGE ORDERS TO THE CONTRACT WITH CTR SYSTEMS, INC. FOR THE DESIGN AND INSTALLATION OF A PARKING REVENUE CONTROL SYSTEM REDUCING THE NET CONTRACT VALUE BY \$80,818.00 FROM \$2,573,186.41 TO \$2,492,368.41.

2012-05-31-0393

Item 23. AN ORDINANCE AUTHORIZING THE EXECUTION OF A SOFTBALL LEASE AND MANAGEMENT AGREEMENT WITH THE SAN ANTONIO AMATEUR SOFTBALL ASSOCIATION, A TEXAS NON-PROFIT ORGANIZATION, FOR THE OPERATION, MANAGEMENT AND MAINTENANCE OF THREE SOFTBALL COMPLEXES AND APPROVAL OF ASSOCIATED CHANGES TO THE MUNICIPAL CODE.

2012-05-31-0394

Item 24. AN ORDINANCE AUTHORIZING A TRAINING AFFILIATION AGREEMENT BETWEEN THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO, THE SAN ANTONIO UNIFORMED SERVICES HEALTH EDUCATION CONSORTIUM, AND THE SAN ANTONIO FIRE DEPARTMENT THAT WILL PROVIDE FOR EMERGENCY MEDICINE TRAINING TO BOTH FELLOWS AND RESIDENTS THAT ARE ACTIVE DUTY IN THE UNITED STATES MILITARY OR FULL-TIME CIVILIAN EMPLOYEES OF THE UNITED STATES GOVERNMENT FOR A TERM BEGINNING JULY 1, 2012, AND ENDING SEPTEMBER 30, 2017.

Item 25. CONSIDERATION OF THE FOLLOWING ORDINANCES RELATED TO THE SAN ANTONIO MUSEUM ASSOCIATION D/B/A THE WITTE MUSEUM:

2012-05-31-0395

- A. AN ORDINANCE AUTHORIZING A \$1.00 INCREASE IN THE GENERAL ADMISSION FEES FOR CHILDREN AND A \$2.00 INCREASE FOR OTHER AGE GROUPS TO THE WITTE MUSEUM.

2012-05-31-0396

- B. AN ORDINANCE AUTHORIZING A THIRD AMENDMENT TO THE LEASE AGREEMENT WITH THE WITTE MUSEUM, TO MODIFY THE REQUIREMENTS ASSOCIATED WITH APPROVAL OF GENERAL ADMISSION FEE INCREASES.

[CONSENT ITEMS CONCLUDED]

ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

The City Clerk read the caption for Item 8:

2012-05-31-0379

Item 8. AN ORDINANCE AUTHORIZING A CONTRACT WITH ARNETT MARKETING TO PROVIDE THE DOWNTOWN OPERATIONS DEPARTMENT WITH 150,000 C-7 LIGHT EMITTING DIODE (LED) HOLIDAY LIGHTS FOR THE RIVER WALK FUNDED WITH THE ENERGY EFFICIENCY FUND IN THE AMOUNT OF \$92,596.62.

Councilmember Williams asked of the cost of the Light Emitting Diode (LED) Lights that had replaced the incandescent lighting. Jim Mery replied that the city had spent \$600,000 on the LED Lights. He stated that the additional lights being purchased would be draped along the Riverwalk since they had received requests for same. Councilmember Williams asked of the energy savings achieved. Mr. Mery replied that the LED Lights saved \$2,000 and 22,000 kilowatts of power per year. Councilmember Williams expressed concern with the high cost and low savings and asked if the city still had the incandescent lights. Mr. Mery replied that the city no longer had the old lights.

Councilmember Bernal stated that individuals had requested that the lights hang over the water and that this was an attempt to achieve same. Mayor Castro added that the LED Lighting was great but

concluded with Councilmember Bernal that the Riverwalk was missing the draped look over the water and asked that it be recreated.

Councilmember Bernal moved to adopt the proposed Ordinance. Councilmember Lopez seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Chan, and Mayor Castro. **NAYS:** Williams and Soules. **ABSENT:** None.

The City Clerk read the caption for Item 11:

2012-05-31-0382

Item 11. AN ORDINANCE AUTHORIZING A CHANGE ORDER IN THE ADDITIVE TOTAL AMOUNT OF \$1,432,216.00 TO THE \$47,175,000.00 DESIGN-BUILD SERVICES AGREEMENT WITH HENSEL PHELPS CONSTRUCTION CO. FOR ADDITIONAL SCOPE ITEMS FOR THE PUBLIC SAFETY HEADQUARTERS PROJECT, A CERTIFICATES OF OBLIGATION FUNDED PROJECT, LOCATED IN COUNCIL DISTRICT 1.

Councilmember Chan asked of the change order and the reason it was necessary. Mike Frisbie stated that the Council had decided to remove the contingency amount originally included in the contract. He noted that there were several items that were not included in the pricing component of the design/build contract that was approved in December, 2010. They include: 1) Additional IT equipment adjustments and related electrical and cooling for all of the new facility's data rooms; 2) Additional security equipment and relevant data work needed for Fueling Station/Vehicle Wash Site; and 3) Additional data work, A/V cabling and associated conduit pathways to provide Media Room connectivity for the media trucks. Councilmember Chan asked of the project delay and the Project Manager. Mr. Frisbie replied that the delay was related to the three items being addressed by the change order and noted that the CIMS Department is managing the project. Councilmember Chan asked about the previous change order. Mr. Frisbie replied that it was related to the soil conditions and that piers had to be added to make the building stable. Councilmember Chan recapped that the departments did not work together to rectify the delay of the change order and believed that some items mentioned should have been included early on.

Councilmember Saldaña asked if it was a mistake that the IT and security system/phone was not included in the original design. Mike Frisbie stated that it had to be designed and that the contingency had been removed from the project budget.

Councilmember D. Medina stated that he was pleased that overall, the project was still under budget. He asked of the coordination to alleviate the delay in moving in. Mr. Frisbie replied that they were working on a phase-in plan so that certain floors could be delivered on schedule and still move into the building in September as planned.

Councilmember Williams stated that he had asked for the contingency to be removed for transparency purposes and that everyone needed to learn from this change order.

Councilmember Chan stated that her point is that staff needs to do a better job on the project management component to ensure that the schedule is adhered to.

Councilmember D. Medina moved to adopt the proposed Ordinance. Councilmember Lopez seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** None.

The City Clerk read the caption for Item 16:

2012-05-31-0387

Item 16. AN ORDINANCE AMENDING CHAPTER 33, ARTICLES I AND VI OF THE CITY CODE BY MODIFYING THE DEFINITION OF "PEDICAB"; DEFINING "SOLICITATION"; CHANGING THE AMOUNT OF FEES AND INSURANCE REQUIREMENTS; CHANGING PERMIT DISTRIBUTION; MODIFYING AREAS OF SERVICE, PASSENGER RESTRICTIONS, AND PERMIT HOLDER RESPONSIBILITIES; AND GRANTING AUTHORITY TO THE CHIEF OF POLICE OR HIS DESIGNATED REPRESENTATIVE TO ESTABLISH HOURS OF OPERATION AND MODIFY AREAS OF SERVICE.

Councilmember D. Medina asked how this item was brought forward. Chief McManus stated that pedicab industry representatives and members of the Transportation Advisory Board (TAB) Subcommittee had met to review proposed changes to Chapter 33 to include hours and areas of operation and fee schedules. He reported that the TAB had approved the proposed changes and had been presented to and supported by the Public Safety Council Committee.

Michael Julian addressed the City Council and stated that he had been a pedicab driver for over two years. He noted that he had been involved in the TAB Subcommittee and Board Meetings regarding said item. He indicated that they were in support of the ordinance but would like to see future review on the hours of operation and the number of permits that are issued.

John Reyes addressed the City Council and stated that he had been a pedicab driver for 3½ years. He expressed his support for the revisions. He commended San Antonio for being the first city to regulate pedicabs in 1998 but noted that it was time to revisit the original ordinance. He added that he would also like to review the hours of operation in the future.

Councilmember Soules asked if pedicabs were allowed to operate on sidewalks. Chief McManus replied that the issue of sidewalks was addressed in the rules and regulations and would be enforced. He noted that it was not restricted in the ordinance but that they could be cited for failing to yield to pedestrians. He added that the ordinance did restrict operation on the Riverwalk and the walkways around HemisFair Park, Convention Center, and Main Plaza.

Councilmember Bernal stated that he would like to formalize the revisions but requested to add a component in which the ordinance is reviewed by the Public Safety Council Committee after six months or a year.

Councilmember D. Medina requested a briefing before the Public Safety Council Committee within six months of ordinance implementation.

Councilmember D. Medina moved to adopt the proposed Ordinance. Councilmember Bernal seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** None.

The City Clerk read the caption for Item 21:

2012-05-31-0391

Item 21. AN ORDINANCE APPROVING A MASTER PLAN FRAMEWORK FOR THE REDEVELOPMENT OF THE FORMER MISSION DRIVE-IN THEATER SITE, LOCATED AT 3100 ROOSEVELT, IN COUNCIL DISTRICT 3.

Councilmember Ozuna asked for a presentation. Mark Brodeur, Center City Development Director stated that staff was requesting approval of a Master Plan Framework for the redevelopment of the former Mission Drive-In Site and creation of an Advisory Committee to assist in its implementation. He reported that the city acquired the Mission Drive-In Site in 2007 and had hired Kell-Muñoz Architects to design the Library and Mission Drive-In Site Concept. He noted that Kell-Muñoz created a Concept Master Plan in May 2009. He indicated that a series of public meetings and multiple stakeholder interviews were conducted between Spring 2008 and 2012.

Mr. Brodeur highlighted the Concept Plan Principles identified by constraints of the property. He spoke of the public process that includes preservation and revitalization of the Mission Drive-In Theater Marquee and commercial development facing Roosevelt and VFW Boulevard. He mentioned that changes were made to the Concept Master Plan based on public input. He indicated that upon completion of the draft Concept Master Plan and public input process, city staff initiated the creation of a site Master Plan Framework. The area encompasses 26.02 acres with 11 remaining developable acres. He added that the Advisory Committee would assist in the implementation of the Master Plan Framework and consist of representatives from adjacent neighborhoods and property owners, as well as partner agencies. He spoke of the implementation steps in which the property would be replatted and a property management association will be created.

Councilmember Ozuna stated that this was a catalytic process and project for the Southside. She noted that the Master Plan would highlight the value of the area for potential developers and investors.

Councilmember Ozuna moved to adopt the proposed Ordinance. Councilmember Bernal seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** None.

Item 26. CITY MANAGER'S REPORT

A. COMMUNITY BUDGET INPUT HEARINGS

Ms. Sculley reported that five area-wide community budget input hearings were held last week to obtain input and feedback from residents on this year's budget with 200 citizens in attendance. She stated that

citizens were asked to identify reductions and priorities. She indicated that the recurring service areas identified as priorities include: Public Safety, Education, Streets/Sidewalks/Drainage, Animal Care Services, and Code Enforcement. She added that residents would have another opportunity to provide feedback after the FY 2013 Budget is proposed on August 9, 2012. She thanked the City Councilmembers and residents that attended the hearings.

B. AMERICA'S TOP 50 BIKE-FRIENDLY CITIES 2012

Ms. Sculley also reported that San Antonio has been ranked for the first time on Bicycling Magazine's 2012 "America's Top 50 Bicycle-Friendly Cities" List, debuting at number 47. She stated that to determine the top 50 Bike-Friendly Cities for 2012, Bicycling Magazine evaluated cities with populations of 95,000 or more. To make the list, a city must possess both a robust cycling infrastructure and a vibrant bike culture. She mentioned that San Antonio was complimented for its proposed bike network through the award-winning Bicycle Master Plan and Siclovia, which drew over 15,000 participants to the inaugural event. She indicated that plans were in the works for more bicycle infrastructure improvements through the 2012 Bond Street Projects, the B-Cycle Mission Reach Expansion, and continuing construction of the Greenway Trails.

C. 2012 CITY POOL SEASON

Ms. Sculley stated that the Parks and Recreation Department would be operating an extended pool season at four outdoor pools through September: 1) Southside Lions; 2) Heritage; 3) Woodlawn; and 4) LBJ. She reported that the four pools operate Tuesday through Thursday from 4:00 pm-7:00 pm and Saturday from 1:00 pm-7:00 pm for open swim. She noted that beginning Saturday, June 16th, the summer pool season will kick off at all 24 outdoor pools opening throughout the summer free of charge. She invited the community to utilize the city pools and stay cool over the summer.

Mayor Castro stated that he was pleased that community input was solicited at the beginning of the Budget Process. He also noted that he was pleased that San Antonio was on the list of Bike-Friendly Cities and that the swimming pools would be opening soon.

EXECUTIVE SESSION

Mayor Castro recessed the meeting into Executive Session at 11:03 am to discuss the following items:

- A. DISCUSS LEGAL ISSUES RELATED TO REDISTRICTING, PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- B. DISCUSS LEGAL ISSUES RELATED TO *R. BROOKS HARDEE, TRUSTEE OF THE FAMCO TRUST, JOHN SCHAFFER AND RICHARD SCHAFTER V. CITY OF SAN ANTONIO*, PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- C. DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS AND DISCUSS RELATED LEGAL ISSUES PURSUANT TO TEXAS GOVERNMENT CODE SECTIONS 551.087 (ECONOMIC DEVELOPMENT) AND 551.071 (CONSULTATION WITH ATTORNEY).**
- D. DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY AND DISCUSS RELATED LEGAL ISSUES PURSUANT TO TEXAS**

**GOVERNMENT CODE SECTIONS 551.072 (REAL PROPERTY) AND 551.071
(CONSULTATION WITH ATTORNEY).**

Mayor Castro reconvened the meeting at 11:56 am and announced that that the City Council had been briefed on the above-styled matters but took no action.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 11:56 am.

APPROVED

for 
JULIÁN CASTRO
MAYOR

Attest:


LETICIA M. YACEK, TRMC/MMC
City Clerk