

REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL PLAZA BUILDING, THURSDAY, SEPTEMBER 4, 2003

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2003-31 The City Council convened in an informal "B" Session at 10:00 A.M., Municipal Plaza Building "B" Room, to consider the following items(s):

A) **Budget Work Session.** (Presented by Louis A. Lendman, Director, Management & Budget; Christopher J. Brady, Assistant City Manager.)

➤ Convention/Tourism Industry/Community & Visitors Facilities Fund

The Council members present were: Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. ABSENT: None.

The "B" Session adjourned at 12:27 P.M.

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2003-31 The regular meeting was called to order at 1:00 P.M. by the Presiding Officer, Mayor Ed Garza, with the following members present: Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. ABSENT: None.

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2003-31 Invocation by Pastor Statt Riddlebarger, Pearsall Road Southern Baptist Church.

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2003-31 Pledge of Allegiance to the flag of the United States.

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2003-31 **SWEARING-IN OF BOARDS AND COMMISSION APPOINTEES.**

The City Council recognized City of San Antonio Board members for their dedication and volunteerism to serve the City of San Antonio. Board members were administered

the Oath of office and then came forward to accept a Certificate of Appointment to their respective boards as awarded by the City Council.

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2003-31 **ON A POINT OF PERSONAL PRIVILEGE.**

On a point of personal privilege, Councilman Barrera called forward Mr. Dennis Campa, Director of the Community Initiatives Department, to introduce Ms. Jane Warner, Regional Director of the Internal Revenue Service (IRS).

Ms. Warner spoke in recognition of the partnership between the City, the IRS, the United Way Catholic Charities and the Annie Casey Foundation. She stated that for the past two years, this partnership has worked to develop ways to assist taxpayers in receiving a tax refund through the Earned Income Tax Program and the Child Tax Credit Program. She stated the program has been expanded to other agencies and governmental entities in many levels, but none with the success rate as with the City of San Antonio. Ms. Warner credited that success in large part to Mr. Campa, his staff and the City Council's efforts. She noted that last year, the Volunteer Tax Assistance Program (VITA) provided free tax preparation assistance to 2,000 taxpayers. This year, Ms. Warner said the entire coalition of 275 volunteers was responsible for over 10,000 tax returns that received free taxpayer assistance at the fourteen VITA sites throughout San Antonio. She noted that these tax returns included refunds of over \$12 million that came back to the San Antonio Community, and that almost \$6 million of those refunds involved Earned Income Tax Credit (EIC) refunds. Ms. Warner thanked the City Council for making it possible to provide the most needy citizens the chance to claim the EIC for which they are eligible.

Ms. Warner presented a plaque to Mayor Garza on behalf of the IRS as a token of their gratitude for the partnership designed to provide tax preparation service to the citizens of San Antonio. She also recognized Mr. Campa, members of his staff, Ms. Melody Woosley, Ms. Samantha Veraposa, and Mr. John Scarfo. Ms. Warner also thanked the City Council for their efforts in providing \$72,000 to fund a VITA site in each of the Council districts. As a result, Ms. Warner stated, the program provided \$188 per person in the community, an increase of 476% from last year's rate.

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2003-31 **ON A POINT OF PERSONAL PRIVILEGE.**

On a point of personal privilege, Councilman Hall asked to recognize the late Deacon Thomas Hatchet who passed away earlier this week. Deacon Hatchet was a Trustee on the Northside Independent School District Board and a teacher involved in education for

22 years. Councilman Hall noted that a north side elementary school has been named after Mr. Hatchet. On behalf of the City Council, Councilman Hall extended condolences to Mr. Hatchet's family for their loss. Councilman Hall requested City Council's concurrence for a Resolution of Respect to present to the family during Mr. Hatchet's funeral.

Council members unanimously concurred on the request.

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2003-31 CONSENT AGENDA

Councilman Perez made a motion to approve Agenda Items 6 through 30D, constituting the Consent Agenda, except for Items 7, 8, 12, 14, 15, and 26, which were pulled for individual consideration. Councilman Flores seconded the motion.

After consideration, the motion, carrying with it the passage of the following Ordinances, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. **NAYS:** None. **ABSENT:** None.

AN ORDINANCE 98092

ACCEPTING THE LOW QUALIFIED BIDS FROM CASCO INDUSTRIES, INC., ITEMS 1, 5 AND 6; MUNICIPAL EMERGENCY SERVICES, ITEMS 3 AND 4; ARMORED TEXTILES, INC. ITEM 7; AND FERRARA FIRE APPARATUS, ITEMS 8 AND 9 TO PROVIDE THE CITY OF SAN ANTONIO FIRE DEPARTMENT WITH FIRE HOSES FOR A TOTAL AMOUNT OF \$66,252 60.

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AN ORDINANCE 98093

APPROVING FIELD ALTERATION NO. 1 IN THE AMOUNT OF \$40,658.18 PAYABLE TO SAN ANTONIO CONSTRUCTORS, LTD. FOR CONSTRUCTION EXPENSES IN CONNECTION WITH THE EMMETT STREET FROM BLOCK #500 TO BLOCK #700 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROJECT, LOCATED IN COUNCIL DISTRICT 3; AUTHORIZING THE REIMBURSEMENT FROM SAN ANTONIO WATER SYSTEM (SAWS) IN THE

AMOUNT OF \$40,658.18; APPROPRIATING FUNDS; REVISING THE PROJECT BUDGET; AND PROVIDING FOR PAYMENT. (AMENDS ORDINANCE NO. 97367, MARCH 27, 2003.)

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AN ORDINANCE 98094

APPROVING FIELD ALTERATION NO. 1 - FINAL IN THE DECREASED AMOUNT OF \$28,567.20 TO THE CONSTRUCTION CONTRACT WITH E-Z BEL CONSTRUCTION, LTD. IN CONNECTION WITH THE DEMPSEY FROM FARR TO GWENDA LEA COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROJECT, LOCATED IN COUNCIL DISTRICT 4; AND REVISING THE PROJECT BUDGET. (AMENDS ORDINANCE NO. 96000, JUNE 27, 2002.)

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AN ORDINANCE 98095

AUTHORIZING THE TRANSFER OF \$4,365.97 FROM 1987 G.O. DRAINAGE IMPROVEMENT BOND FUNDS TO THE CITY OF SAN ANTONIO PUBLIC WORKS DEPARTMENT; ESTABLISHING A FORCE ACCOUNT; AND AUTHORIZING THE CITY OF SAN ANTONIO PUBLIC WORKS DEPARTMENT TO PROVIDE CONSTRUCTION SERVICES IN CONNECTION WITH THE CULEBRA DRAINAGE #58F PHASE I PROJECT, LOCATED IN COUNCIL DISTRICT 7.

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AN ORDINANCE 98096

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO EXECUTE AGREEMENTS WITH THE TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT) FOR THE FURNISHING AND INSTALLATION OF TRAFFIC SIGNAL EQUIPMENT AND INTELLIGENT TRANSPORTATION SYSTEM EQUIPMENT BY CITY OF SAN ANTONIO FORCES ASSOCIATED WITH THE FOLLOWING MPO AND TXDOT PROJECTS: A) HOUSTON STREET FROM PINE STREET TO WALTERS STREET FOR AN AMOUNT NOT TO EXCEED \$86,275.00; B) LOOP 13 (S.W. AND S.E. MILITARY DRIVE) FROM I.H. 35 TO GOLIAD ROAD FOR AN AMOUNT NOT TO EXCEED \$100,000.00; C) THOUSAND OAKS FROM U.S. 281 TO JONES MALTSBERGER ROAD FOR AN AMOUNT NOT TO EXCEED \$5,725.00; D) U.S. 87 (ROLAND AVENUE) FROM I.H. 10 TO RIGSBY AVENUE

FOR AN AMOUNT NOT TO EXCEED \$5,725.00; AND E) BITTERS ROAD FROM WEST AVENUE TO HEIMER FOR AN AMOUNT NOT TO EXCEED \$40,275.00, FOR AN OVERALL TOTAL ESTIMATED AMOUNT OF \$238,000.00 TO BE REIMBURSED TO THE CITY BY TXDOT; AND AUTHORIZING CITY STAFF TO ACQUIRE AND INSTALL THE TRAFFIC SIGNAL EQUIPMENT AND INTELLIGENT TRANSPORTATION SYSTEM EQUIPMENT.

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AN ORDINANCE 98097

AUTHORIZING PAYMENT IN THE AMOUNT OF \$5,101.25 TO DAVIDSON & TROILO, P.C., FOR LEGAL SERVICES IN CONNECTION WITH THE BABCOCK ROAD/LEON CREEK IMPROVEMENTS - HAUSMAN TO DEZAVALA PROJECT (\$3,588.55), AND THE BITTERS ROAD - WEST AVENUE AT HEIMER METROPOLITAN PLANNING ORGANIZATION PROJECT (\$1,512.70); REVISING THE BUDGET; APPROPRIATING FUNDS; AND PROVIDING FOR PAYMENT.

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AN ORDINANCE 98098

AUTHORIZING PAYMENT IN THE AMOUNT OF \$37,019.33 TO BRACEWELL & PATTERSON, L.L.P., FOR LEGAL SERVICES IN CONNECTION WITH BASSE ROAD AND SAN PEDRO INTERSECTION MPO PROJECT (\$56.00), ESCALON STREET #1008 DRAINAGE PROJECT (\$72.00), HI-LIONS DRAINAGE PROJECT #80, PHASES III & V (\$1,548.00), HILDEBRAND AVENUE - I.H. 10 TO BREEDEN MPO PROJECT (\$29,567.60), OCTAVIA DRAINAGE #63, PHASE II, PART I PROJECT (\$1,062.00), SAN PEDRO AVENUE - QUINCY TO ROMANA MPO PROJECT (\$78.00), W.W. WHITE PHASE I - RIGSBY TO LORD ROAD PROJECT (\$225.00), WESTERN AVENUE DRAINAGE #74, IIIA PROJECT (\$3,707.23), AND THE WURZBACH ROAD AT I.H. 10 AND IRONSIDE INTERSECTIONS PROJECT (\$703.50); REVISING THE BUDGET; APPROPRIATING FUNDS; AND PROVIDING FOR PAYMENT.

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AN ORDINANCE 98099

AUTHORIZING PAYMENT IN THE AMOUNT OF \$795.75 TO BRACEWELL & PATTERSON, L.L.P., FOR LEGAL SERVICES IN CONNECTION WITH CHICO-

KNOX & MARGIL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROJECT AND FOR LEGAL SERVICES IN CONNECTION WITH THE FAY PHASE I COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROJECT, LOCATED IN COUNCIL DISTRICT 5; REVISING THE PROJECT BUDGET; APPROPRIATING FUNDS, AND PROVIDING FOR PAYMENT.

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AN ORDINANCE 98100

AUTHORIZING PAYMENT IN THE AMOUNT OF \$116,600.00 FROM 1994 GENERAL OBLIGATION DRAINAGE IMPROVEMENT BOND FUNDS TO LAWYERS TITLE OF SAN ANTONIO AS ESCROW AGENT FOR ALEJANDRO TORRES, INDIVIDUALLY AND AS INDEPENDENT EXECUTOR OF THE ESTATE OF ERIKA TORRES, FOR FEE SIMPLE TITLE TO ONE PARCEL (\$115,000.00), A RIGHT OF ENTRY AGREEMENT (\$100.00), AND TITLE FEES (\$1,500.00) IN CONNECTION WITH THE JAMES PARK DEVELOPMENT AND HOLBROOK ROAD FLOOD IMPROVEMENTS - PHASE I PROJECT LOCATED IN COUNCIL DISTRICT 2; APPROPRIATING FUNDS AND PROVIDING FOR PAYMENT.

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AN ORDINANCE 98101

AUTHORIZING PAYMENT IN THE AMOUNT OF \$800.00 FROM 1999 G.O. STREET IMPROVEMENT BOND FUNDS TO LAWYERS TITLE OF SAN ANTONIO FOR TITLE CHARGES IN CONNECTION WITH THE MCCULLOUGH - UPRR TO BASSE PROJECT, LOCATED IN COUNCIL DISTRICT 1; APPROPRIATING FUNDS; AND PROVIDING FOR PAYMENT.

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AN ORDINANCE 98102

AUTHORIZING PAYMENT IN THE AMOUNT OF \$1,400.00 FROM 1999 G.O. STREET IMPROVEMENT BOND FUNDS TO DUGGER, CANADAY, GRAFE, INC. FOR APPRAISAL SERVICES IN CONNECTION WITH THE NAKOMA - U.S. 281

TO WARFIELD PROJECT, LOCATED IN COUNCIL DISTRICT 9;
APPROPRIATING FUNDS; AND PROVIDING FOR PAYMENT.

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AN ORDINANCE 98103

DECLARING AS SURPLUS TO THE CITY OF SAN ANTONIO'S RIGHT OF WAY NEEDS AN UNUSED 0.276 OF AN ACRE, MORE OR LESS, TRACT OF LAND, (12,045 SQUARE FEET) BEING A PORTION OF LOOP 13, LOCATED AT THE NORTHEAST CORNER OF S.E. MILITARY DRIVE (LOOP 13) AND OLD U. S. 81 (SOUTH PRESA STREET), ADJACENT TO THE REMAINING PORTION OF LOT 8, NCB 10930, WHICH IS OWNED AND CONTROLLED BY THE STATE OF TEXAS; AND REQUESTING THAT THE STATE OF TEXAS, ACTING BY AND THROUGH ITS TEXAS TRANSPORTATION COMMISSION, DECLARE SUCH TRACT TO BE SURPLUS TO THE NEEDS OF THE STATE OF TEXAS, AND SOLD TO MR. R.J. KELLER, THE ABUTTING LANDOWNER.

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AN ORDINANCE 98104

AUTHORIZING A TEN (10) YEAR TERM LICENSE AGREEMENT WITH GLEN ROCK HOLDING CORP., A SUBSIDIARY OF PRIME HOSPITALITY CORP., TO USE PUBLIC RIGHT OF WAY ADJACENT TO THE SAN ANTONIO RIVER FOR AN EXISTING DISABLED ACCESS RAMP LOCATED ALONG THE RIVERWALK BEHIND THE AMERISUITES HOTEL AT 601 S. ST. MARY'S STREET FOR THE TOTAL LICENSE FEE OF \$5,000.00.

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AN ORDINANCE 98105

APPROPRIATING \$528,283.00 AS MATCHING FUNDS FOR THE FEDERAL AVIATION ADMINISTRATION GRANT NO 46; AND REVISING THE BUDGET FOR THE PERIMETER ROAD RECONSTRUCTION AT SAN ANTONIO INTERNATIONAL AIRPORT PROJECT. (AMENDS ORDINANCE NOS. 96757, NOVEMBER 21, 2002; ORDINANCE NO. 98021, AUGUST 14, 2003.)

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AN ORDINANCE 98106

APPROVING PROPOSED AMENDMENTS TO THE EXISTING BYLAWS OF THE CITY OF SAN ANTONIO VETERANS AFFAIRS COMMISSION THAT WERE PREVIOUSLY ADOPTED BY CITY COUNCIL ON APRIL 12, 2001, SPECIFYING THAT THE PURPOSE FOR THE ANNUAL MEETING SHALL BE TO ELECT OFFICERS AND ESTABLISHING THE PROCESS FOR THE NOMINATION, ELECTION AND INSTALLATION OF OFFICERS. (AMENDS ORDINANCE NO. 93743, APRIL 11, 2001.)

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AN ORDINANCE 98107

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO ACCEPT A GRANT IN THE AMOUNT OF \$239,342.00 FROM THE TEXAS STATE LIBRARY AND ARCHIVES COMMISSION, TO BE USED FOR OPERATION OF THE SAN ANTONIO INTERLIBRARY LOAN CENTER, FOR THE PERIOD SEPTEMBER 1, 2003 THROUGH AUGUST 31, 2004; ESTABLISHING A BUDGET; AND AUTHORIZING THE PERSONNEL COMPLEMENT. (AMENDS ORDINANCE NO. 97753, JUNE 12, 2003.)

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AN ORDINANCE 98108

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO ACCEPT A GRANT IN THE AMOUNT NOT TO EXCEED \$645,154.00 FROM THE TEXAS STATE LIBRARY AND ARCHIVES COMMISSION, TO BE USED FOR PUBLIC LIBRARY DEVELOPMENT IN THE ALAMO AREA LIBRARY SYSTEM, FOR THE PERIOD SEPTEMBER 1, 2003 THROUGH AUGUST 31, 2004; ESTABLISHING A BUDGET; AND AUTHORIZING A PERSONNEL COMPLEMENT.

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AN ORDINANCE 98109

APPROVING THE PARADE PERMIT AND AUTHORIZING THE TEMPORARY CLOSURE OF CERTAIN STREETS IN THE DOWNTOWN AREA IN CONNECTION WITH CHUYS CHILDREN GIVING TO CHILDREN PARADE TO

BE HELD ON SATURDAY, DECEMBER 6, 2003 FROM 7:00 A.M. UNTIL 12:30 P.M.

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AN ORDINANCE 98110

APPOINTING ROGER MORIN (DISTRICT 5) TO THE AFFIRMATIVE ACTION ADVISORY COMMITTEE FOR A TERM OF OFFICE TO EXPIRE ON JANUARY 31, 2004.

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AN ORDINANCE 98111

APPOINTING GEORGE LYNN BRITTON, JR. (DISTRICT 4) AND TIM DRAVES (DISTRICT 10) TO THE OPEN SPACE ADVISORY BOARD FOR TERMS OF OFFICE TO EXPIRE ON AUGUST 29, 2004 AND AUGUST 29, 2005, RESPECTIVELY.

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AN ORDINANCE 98112

REAPPOINTING ROGER ENRIQUEZ (DISTRICT 5) TO THE TAX PHASE-IN ADVISORY COMMITTEE FOR A TERM OF OFFICE TO EXPIRE ON MAY 18, 2005.

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AN ORDINANCE 98113

APPOINTING JAMES G. LIFSHUTZ (MAYOR) AND REAPPOINTING LOYCE INCE (DISTRICT 9) TO THE SAN ANTONIO PUBLIC LIBRARY BOARD OF TRUSTEES FOR TERMS OF OFFICE TO EXPIRE ON SEPTEMBER 30, 2004 AND SEPTEMBER 30, 2005, RESPECTIVELY.

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2003-31 The Clerk read the following Ordinance:

AN ORDINANCE 98114

ACCEPTING THE OFFER OF M. J. BOYLE GENERAL CONTRACTOR, INC. TO PROVIDE EMERGENCY REPAIRS TO THE HEMISFAIR PARK GARAGE PARKING DECK FOR A TOTAL AMOUNT OF \$31,713.00, AND RATIFYING SERVICES PROVIDED IN CONNECTION THEREWITH.

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Councilman Perez made a motion to approve the proposed Ordinance Councilman Flores seconded the motion.

In response to Councilman Perez' inquiry regarding a report on emergency purchases, Ms. Janie Cantu, Director, Purchasing & General Services, stated a report on those items over a year's time will be prepared for his perusal. She explained the process for City management ratification for any item considered as an emergency purchase.

In response to Councilman Flores' inquiry as to the detail of repairs on the Hemisfair Tower of Americas Parking Deck, Mr. Malcolm Matthews, Director of Parks and Recreation Department, explained two levels of work are being considered. He stated the condition of the Tower centers on the support beams that hold up the second deck, and reported six of those beams will be repaired. He further stated the concrete deck of the second level has damage that will be repaired.

After consideration, the motion, carrying with it the passage of the Ordinance, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza **NAYS:** None. **ABSENT:** None.

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2003-31 The Clerk read the following Ordinance:

AN ORDINANCE 98115

ACCEPTING THE BIDS OF VARIOUS COMPANIES TO PROVIDE THE CITY OF SAN ANTONIO WITH THE FOLLOWING ITEMS AND SERVICES ON AN ANNUAL CONTRACT BASIS FOR FISCAL YEAR 2003-2004 FOR AN

ESTIMATED ANNUAL COST OF \$106,641.00: CHILDREN'S BOOKS; LARGE PRINT BOOKS; ER MAPPER LICENSES AND MAINTENANCE; AND WIRE ROPE.

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Councilman Perez made a motion to approve the proposed Ordinance. Councilman Haass seconded the motion.

In response to Councilman Perez' inquiry regarding the number of books to be purchased, Acting Director Mr. Aubrey George, stated that approximately 2,000 books will be purchased and distributed throughout the entire library system.

In response to Councilman Perez regarding the use of the wire to be purchased, Mr. Tom Wendorf, Director of Public Works Department, stated the wire is a high- strength cable used on various streets for cabling, and for attaching crash barrels during construction projects throughout the City.

After consideration, the motion, carrying with it the passage of the Ordinance, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. **NAYS:** None. **ABSENT:** None.

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2003-31 At this time, reference was made to Item #14.

The Clerk read a proposed ordinance authorizing the acquisition of one (1) Permanent Drainage Easement and authorizing the expenditure of \$144,000.00 payable to Lawyers Title of San Antonio as escrow agent for Meadowlawn Memorial Park, Inc for such acquisition and title fees in connection with the Eastgate Drainage Improvements Community Development Block Grant (CDBG) Project, located in Council District 2; appropriating funds; revising the project budget; and providing for payment.

Councilman Williams made a motion to approve the proposed Ordinance Councilman Perez seconded the motion.

After consideration, the motion, prevailed by the following vote **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. **NAYS:** None. **ABSENT:** None.

Following discussion, it was agreed to temporarily postpone further consideration of this agenda item until later in this meeting.

(See Page 12 for resumption of consideration of this agenda item.)

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2003-31 At this time, reference was made to Item #12.

The Clerk read the following Ordinance:

AN ORDINANCE 98116

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO EXECUTE AGREEMENTS WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR ADVANCE FUNDING FOR THE INSTALLATION OF SPREAD SPECTRUM RADIO SYSTEMS AT THE INTERSECTIONS OF SH 16 (BANDERA ROAD) AT BRAUN ROAD, TEZEL/PRUE ROAD, AND OLD PRUE AND QUINCY LEE/STONECROFT STREET; AND AUTHORIZING \$25,540.74 FROM THE TRAFFIC SIGNAL INSTALLATION/UPGRADES PROGRAM 2000-2001 TO BE PAID TO TXDOT FOR THIS SIGNAL SYSTEM COORDINATION IMPROVEMENTS PROJECT IN COUNCIL DISTRICTS 7 AND 8; APPROPRIATING FUNDS; AND PROVIDING FOR PAYMENT.

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Councilman Perez made a motion to approve the proposed Ordinance. Councilman Schubert seconded the motion.

In response to Councilman Perez regarding a construction time line, Mr. Thomas Wendorf, Director, Public Works, stated it would take three to four months to complete, and that coordination with the Texas Department of Transportation is a primary issue. He explained that a radio link between the intersections will be installed, and other items should be done fairly quickly at each location, depending on delivering of equipment.

In response to Councilman Perez' inquiry regarding the balance of funds on the Traffic Signal Installation/Upgrades Fund, Mr. Wendorf stated he will prepare a report for the Councilman, and further stated that the funds are all committed to various locations.

After consideration, the motion, carrying with it the passage of the Ordinance, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. **NAYS:** None. **ABSENT:** None.

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2003-31 At this time, reference was made back to Item #14 (See page 11.)

Councilman Williams made a motion to reconsider the proposed Ordinance, at this time. Councilman Perez seconded the motion.

The motion, to reconsider this item, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. **NAYS:** None. **ABSENT:** None.

The Clerk then re-read the Ordinance:

AN ORDINANCE 98117

AUTHORIZING THE ACQUISITION OF ONE (1) PERMANENT DRAINAGE EASEMENT AND AUTHORIZING THE EXPENDITURE OF \$144,000.00 PAYABLE TO LAWYERS TITLE OF SAN ANTONIO AS ESCROW AGENT FOR MEADOWLAWN MEMORIAL PARK, INC. FOR SUCH ACQUISITION AND TITLE FEES IN CONNECTION WITH THE EASTGATE DRAINAGE IMPROVEMENTS COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROJECT, LOCATED IN COUNCIL DISTRICT 2; APPROPRIATING FUNDS; REVISING THE PROJECT BUDGET; AND PROVIDING FOR PAYMENT.

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Councilman Perez made a motion to approve the proposed Ordinance. Councilman Flores seconded the motion.

Councilman Williams made a motion for an amendment to accept the Ordinance with the following condition. He stated the amendment will include: that the City of San Antonio acknowledges that the Grantor has an existing roadway which crosses the drainage easement, and also acknowledges that the Grantor can maintain the existing roadway in the drainage easements and any future drainage improvement construction by the City will be constructed in such a manner so as not to interfere with the use of the roadway by the Grantor. Councilman Perez seconded the motion.

In response to Councilman Schubert's inquiry regarding potential problems with the City, Mr. Tom Wendorf, Director of Public Works, stated he has met with the representatives for the property and discussed an access issue to two sides of the cemetery that will need

to be maintained with a low volume type crossing. He added that there should be no interference for the owners.

The amendment to the motion as presented by Councilman Williams was approved by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. **NAYS:** None. **ABSENT:** None.

The main motion, as amended, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza **NAYS:** None. **ABSENT:** None.

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2003-31 At this time, reference was made back to Item #15.

Councilman Flores made a motion to reconsider Item #15, at this time Councilman Williams seconded the motion.

The motion, to reconsider this item, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. **NAYS:** None. **ABSENT:** None.

The Clerk then read the following Ordinance:

AN ORDINANCE 98118

DECLARING THE LADDIE PLACE DETENTION POND PROJECT ("PROJECT") TO BE A PUBLIC PROJECT; DECLARING A PUBLIC NECESSITY FOR THE ACQUISITION OF FEE SIMPLE TITLE TO TWO (2) PARCELS OF REAL PROPERTY OUT OF LOTS 35 AND 46, NCB 8406, BOTH IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, FOR A PUBLIC PURPOSE AS PART OF THE PROJECT; ESTABLISHING JUST COMPENSATION FOR THE PROPERTY; APPROPRIATING FUNDS IN THE AMOUNT OF \$113,500.00 FROM STORM WATER DETENTION FUNDS FOR THE PROJECT AND MISCELLANEOUS EXPENSES ASSOCIATED WITH THE PROJECT SUCH AS APPRAISALS AND ATTORNEY'S FEES; AUTHORIZING THE CITY STAFF AND/OR ITS DESIGNATED REPRESENTATIVES TO NEGOTIATE WITH AND TO ACQUIRE

THE PROPERTY FROM THE OWNERS ON THE APPROVED TERMS;
AUTHORIZING THE CITY ATTORNEY AND/OR DESIGNATED SPECIAL
COUNSEL TO FILE EMINENT DOMAIN PROCEEDINGS, IF NECESSARY.

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Councilman Flores made a motion to approve the proposed Ordinance. Councilman Haass seconded the motion.

In response to Councilman Flores regarding the location of the property, Mr. Tom Wendorf, Director of Public Works, described two parcels to the property, including one that has access from a dead end, and the other which comes off Fredericksburg Road. He stated that this action is just the authorization to make an offer to the owner for the property, and allowed the City to start the process that includes negotiations and condemnation.

Councilman Flores stated that he is aware that the owner has expressed his desire to an alternative for the property. He further stated his concerns regarding any dialogue with the owners.

Mr. Wendorf, explained that a fair market offer will be made, and that typically, an appraisal is made of the property, followed by an offer to the property owner and ultimate negotiations.

Councilman Flores stated he has spoken with the owner who believes the property is worth more than what is being offered. He discussed the importance and the history of this project that has been identified in the Storm Revenue Bond Program. He further stated he wishes to be kept up to date on this matter, including any hindrance by that one property owner.

In response to Councilman Castro regarding the project as part of creating the Storm Water Detention Facilities in the area, Mr. Wendorf stated this area would significantly reduce flooding along Camden Boulevard. He explained this is the property on which the facility will be directly placed.

Councilman Castro requested updates with regards to the negotiation process. He added that the City has the power of eminent domain for projects of public benefit.

Mr. Wendorf discussed the efforts that take place to work with property owners, and added that for the few times as compared for the total amount of purchases that are made, it is necessary to go to condemnation.

After consideration, the motion, carrying with it the passage of the Ordinance, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. **NAYS:** None. **ABSENT:** None.

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2003-31 The Clerk read the following Ordinance:

AN ORDINANCE 98119

AUTHORIZING THE RENEWAL AND AMENDMENT OF A MERCHANT BANKING SERVICES CONTRACT WITH PAYMENTECH, L.L.C. FOR THE AUTHORIZATION, CAPTURE, PROCESSING AND SETTLEMENT OF CREDIT CARDS, DEBIT CARDS, STORED VALUE CARDS, AND OTHER NON-CASH PAYMENT CARD TRANSACTIONS, FOR A THREE YEAR PERIOD BEGINNING ON OCTOBER 1, 2003 THROUGH SEPTEMBER 30, 2006. (AMENDS ORDINANCE NO. 92328, AUGUST 17, 2000.)

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Councilman Perez made a motion to approve the proposed Ordinance. Councilman Flores seconded the motion.

In response to Councilman Perez' request for an explanation on the credit card purchases, Mr. Milo Nitschke, Finance Director, presented a brief history on the City's use of credit cards since 1991. Since 1996, Payment Tech has provided these services, and Mr. Nitschke stated that their contract is due to expire in September, 2003. He further stated this Ordinance is to authorize a three-year extension with Paymentech, who has provided good services and has been responsive to the City's needs.

Mr. Nitschke continued his explanation of discounts afforded by the credit card companies and by Paymentech, for a total amount on an annual basis of \$300,000. He stated the cards currently being used are Visa, MasterCard, American Express, Discover, and two others that will be added are Carte Blanche and Diners Club. He explained each card varies in discount percentages. He provided an example of a 3.15% discount for a purchase of \$100 by using American Express. Mr. Nitschke stated the profits are divided between the credit card companies and Paymentech, along with other fees allowing for more transactions.

In response to Councilman Perez regarding the number of transactions, Mr. Nitschke gave a breakdown of \$12.7 million in fiscal year 2002 for a total of 320 transactions that

averaged under \$40 per transaction. He further broke down the percentage of transactions by department.

Mr. Nitschke further stated no bids were sought due to Paymentech's excellent performance reputation.

After consideration, the motion, carrying with it the passage of the Ordinance, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Haass, Garza. **NAYS:** None. **ABSENT:** None.

2003-31 PUBLIC HEARING AND ORDINANCE: CONSIDERATION OF APPROVAL OF THE SAN ANTONIO DOWNTOWN PUBLIC IMPROVEMENTS SPECIAL ASSESSMENT DISTRICT FY 2004.

Mayor Garza declared the Public Hearing to be open.

Mr. Cris Young, Special Projects Officer, City Manager's Office, gave a presentation on the Downtown Public Improvement District (PID). A copy of the presentation is on file with the papers of this meeting. He stated the public hearing is an opportunity for the public to comment on the special assessment for the public improvement district.

Mr. Young discussed Centro San Antonio Management Corporation as a non-profit group that provides services for the District. He added they develop a service assessment plan, and detailed the level of services and improvements for the following year, including a budget and financial plan that is approved by the City Council. He stated that in addition to the management program, there are three Amigo services that include Maintenance, Landscaping and Public Service Ambassadors, as well as a Management Program. The projected budget for FY 2004 is \$1.5 million, with revenues totaling \$1.7 million.

Mr. Young further discussed Centro's staffing to include one full-time Operations Manager, and twenty-one Amigos who are subcontracted. He added that Centro supervises the subcontractor who coordinates with the City's designated representative, and serve as information resources to their customers for members of the District.

He discussed the highly successful PID programs that are provided to the downtown area. He stated that the maintenance crew last year picked up over 6,000 bags of litter and power-washed over 200 miles of sidewalk, an effort that is well coordinated with the City's Public Works Department. The Landscaping Program, in coordination with the Parks & Recreation Department, is comprised of three Amigos that oversee planters and sixty of the rail planters along the Riverwalk. Mr. Young noted that the Marketing

Program has over 100 business participants, and the Ambassador Program has Amigos circulating throughout the downtown area with three different sites to provide information to all visitors. After the 911 tragedy, Mr. Young stated the Rediscover Program was enhanced to encourage more visitors to the downtown area, and funds from the unallocated program were used for that endeavor.

Mr. Young discussed property evaluations and added that, to date there are 367 certified properties valued over \$1 billion within the PID area. He stated that in addition to that, the City property and City Public Service Board property valuations, will total \$78 million for only the buildings and structures. This brings the total property value to \$1.129 billion, and based on the \$.12 per \$100, the City could yield \$1.263 million in revenue. He noted that in using the 90% collection rate, it is expected \$1.1 million will be collected for the fiscal year 2004.

The following citizen(s) appeared to speak:

Mr. Faris Hodge, Jr., 140 Dora Street, spoke to his concurrence of the items as presented by Mr. Young, but also provided his list of downtown improvements. His list included: improved maintenance at Travis Park; his recommendation that the City pay him to advertise San Antonio on the back of VIA busses for six months; that the Alamodome be named after him, downtown street lights that need replacing; repairing the elevator in City hall; a parking garage with 2,000 spaces; the need for downtown restrooms; cleaning downtown street sidewalks; installing flower pots in the downtown area; free downtown parking provided; budget meeting times should begin at 6pm; crosswalks in the downtown area; Police Department Foot Patrols between 6 – 11 PM; water fountains are not meeting Americans with Disability Act requirements, and the homeless issue.

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There being no further citizens signed to speak to this matter, Mayor Garza declared the Public Hearing to be closed.

The Clerk then read the following Ordinance:

AN ORDINANCE 98120

APPROVING THE SAN ANTONIO DOWNTOWN PUBLIC IMPROVEMENTS SPECIAL ASSESSMENT DISTRICT FY 2004 SERVICE AND ASSESSMENT PLAN AS RECOMMENDED BY THE CENTRO SAN ANTONIO MANAGEMENT CORPORATION BOARD AND AUTHORIZING THE PAYMENT OF SPECIAL ASSESSMENT REVENUES TO CENTRO SAN ANTONIO MANAGEMENT

CORPORATION, A TEXAS NON-PROFIT ENTITY, FOR SERVICES UNDER THE PLAN.

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Councilman Flores made a motion to approve the proposed Ordinance. Councilman Haass seconded the motion.

Councilman Flores commended Centro San Antonio and the Amigos for the services they provide to the downtown businesses, tourists and the citizens of San Antonio.

In response to Councilman Perez regarding the difference between the \$150,000 for the Management Program Office and \$130,000 for the District Operations Manager and Operations Center, Mr. Young, explained that the administrative offices house the Downtown Alliance part-time staff, and the Operations Center houses the Operations Manager. Mr. Young further explained these two separate locations, with the Operations Center located on Travis Street, and the space used in the Downtown Alliance located on St. Mary's Street. He added that space is a premium, and it would not be practical to put the administrative office on the ground floor.

In response to Councilwoman Radle regarding the maintenance crew, Mr. Young stated a staff of twenty-one, including the Operations Manager, work in the maintenance crew. He added the \$460,000 figure represents not only equipment, such as power washers, repairs, but the majority is for salaries. The salary range is comparable to other downtown jobs, beginning at \$7.50 an hour to \$10 an hour.

In response to Councilwoman Radle regarding contracting for a service similar to what the Parks and Recreation Department could do, Mr. Young stated the whole idea to the PID is that these are supplementary services above what the City would normally do. They could contract with the City to do those services, but not as economically as using City services.

In response to Councilman Radle regarding an analysis on the most economical services, City Manager Terry M. Brechtel stated that the program was intended to augment what was being done in the downtown area. She further stated it's a service that adds a benefit to the downtown businesses, and those businesses are paying that extra tax for that benefit. However, Ms. Brechtel also noted that no analysis has been done to determine who can do the work on a cheaper scale. She further noted that the City would require additional resources and additional staff to manage the services that the Amigos are currently doing. She commended the Amigos performance and stated they are doing a great job.

Councilwoman Radle reiterated her interest in a comparison on this issue.

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After consideration, the motion, carrying with it the passage of the Ordinance, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Garza. **NAYS:** None. **ABSENT:** Haass.

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2003-31 The Clerk read the following Ordinance:

AN ORDINANCE 98121

GRANTING A WAIVER OF THE INTERIM DEVELOPMENT CONTROLS ADOPTED ON FEBRUARY 6, 2003 BY ORDINANCE 97173 TO JOSEPH AND MARIA FOLEY AS SUCH INTERIM CONTROLS APPLY TO LOT 1, CB 4005, ALSO KNOWN AS 11249 APPLE WHITE ROAD

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Councilman Perez made a motion to approve the proposed Ordinance. Councilman Castro seconded the motion.

Mr. Jesus Sanchez, Planning Department, spoke regarding a request for waiver of the Interim Development Controls (IDC) in the Limited Access Area for Lot 1, County Block 4005. He stated the application is for a building permit for a single-family residence. He added that in accordance with the IDC Ordinance, development permits in the Limited Annexation Area are not to be issued without City Council's approval. Mr. Sanchez described the intent of the IDC is to ultimately control the rate and character of growth through careful and orderly development. He stated the City Council may waive the applications of the controls through certain criteria, which includes the development is not likely to impair the goals and objectives of the Southside Initiative Community Plan.

Mr. Sanchez stated that staff has reviewed the application for the waiver and concluded that it does not impair the goals of the Southside Initiative Community Plan, and does not conflict with other criteria. He further stated that staff recommends approval of the request for waiver.

In response to Mayor Garza regarding the number of other applicants who have written documentation that would be considered vested, Mr. Sanchez stated that at one point, there were four major master development plans.

Mayor Garza reiterated his concern as to the total number of plats within the entire area that the City could potentially expect, from this point to the future, as the City continues to stay within this time frame.

In response to Mayor Garza regarding the three-mile buffer, Mr. Chris Brady, Assistant City Manager, stated that staff has notified Toyota Manufacturing about this parcel. He confirmed Toyota understands that there are some plats within the three-mile buffer and were aware of the idea of vested rights. Mr. Brady further stated he has the list of properties for Mayor Garza as requested.

Mayor Garza reiterated he is interested in not only those properties within the three-mile buffer, but within the entire area.

After consideration, the motion, carrying with it the passage of the Ordinance, prevailed by the following vote: **AYES:** Flores, Segovia, Perez, Radle, Barrera, Castro, Hall, Garza. **NAYS:** None. **ABSENT:** Williams, Schubert, Haass.

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2003-31 TRAVEL AUTHORIZATION - Granted:

Travel Authorization for Councilman Julian Castro, District 7, who will travel to Dallas, Southlake, Colleyville, Irving, Addison, Frisco, Stoneridge Ranch, Plano and Plum Creek to tour Tax Increment Reinvestment Zones (TIRZ) from Friday, September 5, 2003 to Sunday, September 7, 2003.

Councilman Perez made a motion to approve the proposed Travel Authorization. Councilman Segovia seconded the motion.

After consideration, the motion, carrying with it the passage of the Travel Authorization, prevailed by the following vote: **AYES:** Flores, Segovia, Perez, Radle, Barrera, Castro, Hall, Garza. **NAYS:** None. **ABSENT:** Williams, Schubert, Haass.

Wendorf provided information regarding the City's appraised value of the property versus the Bertetti's claimed value. He gave a timeline of events that led to an award to the Bertetti trust, including interest, of \$635,460.20. Mr. Wendorf identified the funds available from Certificates of Obligation. He further stated that the City will continue the appeal of condemnation award amount and defend against other claims rained by the landowners.

After consideration, the motion, carrying with it the passage of the Ordinance, prevailed by the following vote: **AYES:** Flores, Williams, Segovia, Perez, Radle, Barrera, Castro, Hall, Schubert, Garza. **NAYS:** None. **ABSENT:** Haass.

2003-31 PUBLIC HEARING AND ORDINANCE: CONSIDERATION OF PROPOSED TAX RATE.

Mayor Garza declared the Public Hearing to be open.

Mr. Lou Lendman, Director of Budget and Office Management, discussed the Proposed Property Tax Rate Public Hearing for FY 2004. A copy of this presentation is on file with the papers of this meeting.

Mr. Lendman discussed the tax rate for FY 2004 at 57.854 cents per \$100 of taxable valuation as approved by City Council on August 21, 2003. He noted that the tax rate remains the same as was adopted for FY 2003, and that no tax rate increase has been imposed for eleven years. Mr. Lendman noted that the purpose of setting a proposed tax rate is for public notice. He discussed various components of the tax rate to include a Senior Citizen Homestead Exemption, which allows 62,076 residence homestead accounts to qualify for senior citizens homestead exemption

Mr. Lendman presented a breakdown of the proposed general fund available resources that are to be distributed between City departments for a total of \$639,440,514. He explained the project budget for FY 2004 and further explained the taxable values and new property values. Mr. Lendman described the proposed rate is 1.791 cents, or 3.19% higher than the overall effective rate. He noted that the average property tax bill is \$541.73 for the average residence homestead of \$93,637, and that property taxes on the average homestead will increase by \$28.24. He further noted that a second Public Hearing and consideration of the budget and tax rate is scheduled for Thursday, September 18, 2003

The following citizen(s) appeared to speak:

Mr. Faris Hodge, Jr., 140 Dora, spoke in opposition to the tax rate discussion time frame. He also referred to page 2 of the proposed budget and complained about the illegible sized print. Mr. Hodge also spoke regarding his opposition to unallocated funds not being made available through the general fund, and has requested that the City be audited.

Ms. Bonnie Precious, spoke in opposition to any form of a property tax and stated she was speaking for property owners to lower taxes. She spoke regarding price increases by local utilities throughout the entire South Texas area. Ms. Precious asked that the segment on Citizens To Be Heard be televised, and that the City Council meeting begin earlier in order to finish before dark to accommodate the safety of the citizens.

Mr. Don Faulker, District 8, spoke in opposition to property tax rate hike. He also spoke to the City's profit from the City Public Service windfall.

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There being no further citizens signed to speak to this matter, Mayor Garza declared the Public Hearing to be closed.

Councilwoman Radle stated that while she has not been made aware of any of her colleagues' stance to raise the tax rate, but recalled that the majority concurred on keeping the tax rate the same. She requested they voice their comments regarding the City Council's individual opinions on tax rates.

Councilman Perez stated the tax rate is appropriate as it is currently, but noted that hard choices will have to be made regarding budget cutbacks.

Councilman Segovia stated the idea of raising property taxes is the easy way out right now in an effort to balance the budget. He further stated that while taxes have not been increased in the last ten years, the taxpayers are paying more. Councilman Segovia noted that through a concerted effort, the City would find ways to balance the budget, and raising taxes will be the last resort.

Councilman Haass stated that the issue is raising the rate, not raising property taxes. He stated he knows of no one who is proposing that raising the rate is a legitimate solution to this problem. He further stated that the only conversations he is aware of are to reduce the rate or keep it the same. He noted that the monies that have been proposed by staff and the City Manager balance the budget, which means the City can move forward in October. He also noted that the challenge the City Council now faces, is deciding what the priorities are for the budget.

Mayor Garza spoke regarding his perspective that citizens understand their needs in the community, and that the City Council prioritizes those needs. He spoke of an overwhelming communication that people are concerned about paying their taxes, and it is incumbent on the City to decide where to provide services based on priorities within the budget. He discussed his philosophy includes that if citizens are asked to pay an additional increment, that it is important to find a way to let them see the results of those dollars. Mayor Garza stated that this will result in broader support, and it is the basis for his argument for neighborhood improvement districts where neighborhoods are given the option to assess themselves more funds for their community

From the tax rate perspective, Mayor Garza stated he would not support that, and recognizes that the rate change may change in any given year. He noted that in this particular year, more revenues were made available, City Public Service being one of them. He added that if the property tax were lowered in a greater degree, there would have to be compensation by finding ways to increase revenue, as well as decrease the rate when debating the budget. Mayor Garza stated that he feels comfortable where the tax rate is today.

Councilman Schubert concurred with Mayor Garza. He added that the City has been funding programs that before were previously sponsored by churches, neighborhoods and other entities, and the City has gotten away from providing the basic services, which clearly cost more than before. He further stated that he has not heard anyone say "raise taxes" but is aware that taxes are raised to the maximum allowable under law on a yearly basis, so citizens are paying more taxes. Councilman Schubert stated to raise taxes just because people think additional programs are needed is not a good idea, and he would not support increasing the tax rate at this time

Councilman Barrera spoke regarding communication from his constituents who say they are paying too many taxes as a result of increased property valuations. He further stated there is definitely no interest in looking at a tax increase. Councilman Barrera stated he is not interested in a tax increase, and will not support any tax hike.

Councilman Castro stated he has not been in support of a tax increase during this year or the last two years. He noted that District 7 constituents have been paying significantly more per year due to increased valuations every year. He stated he believes that the economy will pick up, and hopefully in two years, the City will be in a different economic situation. Councilman Castro noted that management has to be honest about the method used to raise money since fees are increasing in this budget year. He cited an example of a 1% increase on a \$100,000 home for a total of a \$10 increased annual payment. He noted it is important to be realistic in order to confront a property tax increase without backlash that is based on not understanding how much a 1% or 2% increase would be. He further noted for this budget year, a tax rate hike is not necessary,

but recommended being more honest about the fee increase and the sales tax increases that will be considered and the effect they will have on the population

Councilman Flores stated there have been problems that have not been corrected with valuations and how irregular they are in comparison to years past. The other problem he shared is being able to provide citizens with basic services, and good use of the monies available, making sure that the tax rate is fair. Councilman Flores further stated that once revenues are generated, there is the possibility of lowering the tax rate, and making sure the City can function at the lowest possible tax rate

Councilman Williams concurred with his colleagues' description of living with a tax rate. He stated he believes many citizens are not against taxes rate hikes, but are against a wasteful government. He further stated that citizens are willing to view the issues of a tax rate and the major issues that the City has to deal with in making tough decisions. He explained that citizens will accept those decisions as the City moves forward, and voters are looking to the City Council to remove and reduce the wasteful spending that has occurred over time. He further explained that citizens would be responsive to issues of a tax increase and of how government leverages revenue and expenditures. He stated he looked forward to working with his colleagues to put those resources to the best possible use.

Councilman Hall stated that citizens basically want the City to become more efficient, and as the Mayor mentioned, to provide the service level that is marketable and attractive to the voters. He further stated he is interested in seeing the City become more efficient, and prefers not to put that burden on the citizens at this time. He noted that in comparison to the high tax rates that are charged by other entities, the City of San Antonio has a low tax rate.

Councilwoman Radle stated that the exercise of the Council members expressing their opinions on a tax rate hike, is a benefit for the public to understand the efforts in balancing the budget and to see the priorities. She further stated it is a priority to be effective as a City in such areas as in cost-of-living for City employees and to take care of issues, such as the improvements within the City's infrastructure.

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2003-31 CITY MANAGER'S REPORT.

Ms. Rebecca Waldman, Director of Asset Management, gave a presentation regarding the High Risk Contracting Initiatives. A copy of this presentation is on file with the papers of this meeting. Ms. Waldman discussed three contract initiatives currently being developed, two of which are within the Environmental Services Department. She

explained that those contracts include solicitations for the provision of services to two subdivisions, Heritage Northwest and Long's Creek. Ms. Waldman noted the scope of work needs to be equivalent to those provided to other City residents.

She then discussed the third contract for the Performing Arts Facility Evaluation that will develop a Request for Proposal (RFP) for an evaluation of selected existing performing arts facilities and a potentially new facility. Ms. Waldman stated that due to the recommendations of the Mayor's ad hoc Symphony Task Force's recommendation, this item might be somewhat delayed.

Ms. Waldman spoke on a number of contract initiatives that are currently being solicited, or evaluated, such as Cultural Collaborative out of the Office of Cultural Affairs. She spoke regarding a Request for Qualification (RFQ) for a contractor to develop a plan for a strong cultural community. In addition, she discussed the Finance Department's Arbitrage Rebate Compliance Service Contract for the purpose of retaining firms to provide arbitrage rebate services in connection with the City's outstanding tax exemption bond proceeds, balances and debt service funds.

She also discussed the Dental Health Maintenance Organization (HMO) Request for Proposal (RFP) with the Human Resources Department to secure a dental health HMO for active full-time City employees and their eligible dependents. She stated the RFP is to secure health benefits for full-time active and retired City employees and their dependents. Ms. Waldman stated that one response was submitted by the City's current contractor, who proposed the same plan that is currently in place, but with a different rate structure.

Ms. Waldman also discussed the Request for Competitive Sealed Bids for a new Integrated Automatic System through the Library Department that will replace the current automated system used by the San Antonio Public Libraries. She stated cost proposals from two firms will be evaluated and final negotiations will be conducted prior to recommending a firm for award.

Ms. Waldman spoke on the Investment Banking Services RFP from the Finance Department for the provision of services relative to the securitization of certain City assets. She noted that interviews with two firms are scheduled tomorrow and an award finalization is scheduled for late September.

Ms. Waldman then discussed the Finance Department's RFP for Financial Underwriting Services for the Finance Department. She stated that there are currently no High Risk Contracting Initiatives set for City Council consideration.

In response to Councilman Perez regarding the location and selection of the subdivisions for the two solid waste services contract, Ms. Waldman explained that the Heritage

Northwest subdivision is located at Loop 410 and Marbach Road, and Long's Creek is bounded by Wetmore, Bulverde Road and Loop 1604. She noted that rather than expanding City services, it was decided to contract out this service.

In response to Councilman Perez regarding hiring four additional personnel for this service, City Manager Terry Brechtel stated the idea was discussed and noted that they intended to keep up with growth of the City in general, and to manage the amount of waste picked up on a weekly basis. Ms. Brechtel further noted that a combination effort has been carefully monitored, and as the contract is brought forward, a comparison will be made to ensure the most cost-effective manner.

Councilman Perez spoke regarding choosing privatizing over hiring additional staff that includes absorbing the costs associated with the new personnel. He added it would be cheaper and result in having fewer employees on the payroll.

City Manager Brechtel stated that during the budget presentations for the Environmental Services Department, the Automated Pilot was discussed, as well as the City's ability to initiate that program in seven years. She stated the purpose of that time frame, was to absorb the vacancy rates within the workforce when the program began, to ensure that those employees have jobs within the City, or to have jobs with comparable pay in the private sector. She further stated that if this philosophy is to change, it is a discussion that needs to be conducted as a Council.

In response to Councilman Perez regarding the Cultural Collaborative Contracting Initiative, Mr. Felix Padron, Director of the Office of Cultural Affairs, explained that it is a process in which the City is to engage the community in a broad dialogue of realizing a unified vision for the arts and culture in San Antonio. He explained that the allocated funds are directed to hiring the services of a consultant that will assist in that plan.

In response to Councilman Perez regarding using the entire \$120,000 Mr. Padron stated more funding will be required and that currently, a fundraiser is planned to match those dollars, or possibly surpass that amount. He added that the City of San Antonio has never had a cultural plan, and that normal expenditures of this nature run anywhere between \$200,000 and \$300,000. Mr. Padron explained the process requires extensive research and dialogue with the community that needs to be documented and translated into goals and objectives.

In response to Councilman Perez regarding the advertisement process for the Health Maintenance Organization initiative, and his concern that there were only two bids that were received, Ms. Marilyn Morales, Human Resources Department, stated the RFP was advertised in the Express-News. She further stated the RFPs were mailed out to a list of national vendors that offer the HMO product. Ms. Morales stated the advertisement is also sent out on the Internet. She noted that only two responses were received.

In response to Councilman Perez regarding expanding the RFP as much as possible, City Manager Brechtel stated that a national trend is evident with respect to HMOs. She explained that the City of San Antonio has gone from three providers to one provider. She further noted that the trend is moving to Preferred Private Organizations (PPO), and strategies will be developed for next year as the City looks for overall health plans for its employees.

In response to Councilman Perez regarding the percentage of minority participation in the Investment Banking Services initiative, Mr. Milo Nitschke, Finance Director, stated that the City has exceeded its 32.5% minority participation goal in its transactions over the last year.

In response to Mayor Garza regarding consistently advertising these RFPs in Spanish, Ms. Yolanda Ledesma, Acting City Clerk, responded affirmatively.

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2003-31 EXECUTIVE SESSION

The City Council recessed its regular session at 4:00 P.M. in order to convene in Executive Session for the purpose of:

(At this point, Mayor Garza was obliged to leave the meeting. Mayor Pro Tem Schubert presided.)

- B) Discuss the lawsuit styled Matthew J. Jackson, et al, and other Similarly Situated Persons vs. City of San Antonio, Cause No. 2002-CI-18233, 408th Judicial District Court, Bexar County, Texas, and legal issues related to collective bargaining negotiations with the San Antonio Police Officers Association, pursuant to Texas Government Code Section 551.071 (consultation with attorney).

- C) Discuss legal issues related to a proposed development identified as Shavano Ridge Unit 7, near the intersection of Rogers Parkway and De Zavala Road, pursuant to Texas Government Code Section 551.071 (consultation with attorney).

The City Council adjourned the Executive Session at 5:05 P.M. and reconvened in regular session, at which time Mayor Pro Tem Schubert stated that City Council had been briefed on the above-styled matters and had given staff direction, but had taken no official action.

MR. GUILLERMO VASQUEZ

Mr. Guillermo Vasquez, Co-Director of Local 1967, Service Employees International Union (SEIU), provided information relative to the compensation policies for the City of San Antonio. Mr. Vasquez discussed the Ralph Anderson Study conducted in 1993 that resulted in ten key recommendations, one of which focused on the need to develop a clear compensation policy. He also spoke on the Watson Wyatt Study that was completed in 2000 that focused on employee performance programs. He noted that employees commented on their base pay regarding issues such as competitiveness, fairness and salary criteria. Mr. Vasquez explained that the Wyatt study revealed consistent concerns, as did the 1993 Anderson study.

He further discussed the pay analysis conducted by SEIU that concluded that the City of San Antonio's compensation policy does not take into consideration employee's education, experience or years of service. He stated the policy is very subjective and lends itself to corruption. Mr. Vasquez explained that the SEIU is interested in resolving inequities in the pay system, and the practice where the City hires from the outside, and paying them more for the exact job someone has done for the past fifteen years, is not acceptable. He proposed the City Council initiate a commission to review what is working with the plan pay; for the commission to have the authority to study other City models, and to make recommendations to the City Council and to management. Mr. Vasquez stated that SEIU is ready to participate in that Commission that will consider a better pay increase than what is being proposed. He suggested that in the future, the Council question the analysis conducted by SEIU, and to question management about the current pay plan. He reiterated SEIU's commitment to meet with management to discuss what can be done to better improve conditions for the employees of the City of San Antonio.

In response to Councilman Hall regarding the feasibility of creating a committee or commission as Mr. Vasquez described, City Manager Brechtel stated that the City Council and Mayor Garza have the ability to set up such a commission. She stated she sees no impediment in considering that option. She also stated the City does have the Municipal Civil Service Commission, and the Firemen's and Policemen's Civil Service Commission that are made up of individuals who are familiar with the civil service rules and grievance issues that come before the Commissions.

Councilman Barrera stated that as Chair of the Economic and Human Development Committee, he requested City staff to provide information that addresses issues relative to City employees. He cited issues such as compensation, barriers of advancement because of employees lacking minimum qualifications, disparity in pay between same jobs in different departments or in the same departments, educational and technical training benefits, longevity pay, proportionate health insurance programs, classification pay studies and implementation. He stated that the Committee would then make recommendations to the City Council.

Councilman Segovia stated his concerns to find ways to address the issues of experience, education, years of service for City employees and in turn, provide better customer service to the citizens.

Councilman Castro stated he agrees with the prevailing sentiment and looked forward to City Council creating some ways through a committee to address these issues.

Councilwoman Radle stated employee input is necessary to develop a resolution to these issues.

Councilman Flores concurred and stated this issue is a major priority on the City's agenda.

City Manager Brechtel spoke regarding a budget presentation scheduled for the evening session that will discuss management's response and on meetings that have been held with the union concerning these issues. She further stated that more discussions between management, employees and the union will take place to find funding mechanisms to resolve these issues.

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MR. ALFREDO ALEMAN

Mr. Alfredo Aleman, representing the service division of the San Antonio Fire Department explained the division's responsibility for the maintenance of the fire-fighting and emergency vehicle equipment. Mr. Aleman spoke of a continuing decline in personnel and equipment in the Fire Department due to budget cutbacks. He stated the department lost 12% of their personnel last year, and as a result, crews have experienced more injuries. Mr. Aleman has personally experienced a torn ligament in the shoulder

due to overuse and is currently on Workman's Compensation Mr. Aleman asked the City Council for support with proper personnel and equipment to do their job efficiently and safely.

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MR. FARIS HODGE, JR.

Mr. Faris Hodge, Jr., 140 Dora, spoke on several issues including the City of San Antonio employees' salaries and suggested not forming another employee's commission. He also stated that the San Antonio Police Department's storage facilities allow eight-liner gambling machines to go unchecked. He discussed the low mileage on the City's vehicles versus the mileage on Bexar County's vehicles at the time of selling these items. He commented on back pay citizens are due for trash not picked up during the holidays. Mr. Hodge noted some other issues with the San Antonio Symphony, the homeless and the Dallas Cowboys.

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MS. BONNIE PRECIOUS

Ms. Bonnie Precious spoke regarding her request to remove fluoride from the drinking water, and to consider selling bottled water as a means to generate revenue. Ms. Precious stated taxes on cigarettes should be increased, and requested that the Citizens To Be Heard segment be moved to 4:00 PM. She requested that citizens be called up on a first-come, first-serve basis, taking the elderly and handicapped into consideration for the sake of ending the meeting before dark. She stated that the Citizens To Be Heard segment be televised, and requested weekly copies of the City Council minutes in font size 18 be mailed to her. Ms. Precious commented on HEB Grocery stores leveling their charge for service fees. She also spoke regarding removing speed bumps on Colony Drive.

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MR. NAZIRITE RUBEN FLORES PEREZ

Mr. Nazirite Ruben Flores Perez, 627 Hearne Avenue, spoke regarding Mr. Michael Quinn, Facilities Manager formerly with the Public Works Department, who recently

resigned. Mr. Perez spoke to recommend Mr. Bill Washkowski to that vacant position. He also stated he has not worn his City uniform while speaking during the Citizens To Be Heard segment of the City Council meetings.

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MR. CHARLES ENGLISH

Mr. Charles English, Jefferson Heights Neighborhood Association, spoke regarding drainage problems near a swimming pool in the area of the Barbara Jordan Building. Mr. English provided pictures of the area in question, and spoke to the lack of maintenance in this area by the City.

In response to Councilman Williams regarding Lincoln Pool, Mr. Malcolm Matthews, Director of Parks and Recreation Department, stated that the federal government had awarded a grant that was available to facilities that had been closed. He noted that along with other funds, \$714,000 is targeted to renovate the pool and to improve the playground area. He further noted that the photographs that were shown, were taken during a rainy period, and that drainage and engineering work will be conducted for the pool renovation. He stated the pool will be open by next summer. Mr. Matthews stated that all the work that has been done to Lincoln Pool, has been a result of the input from neighborhood meetings. He added that a report would be submitted next week that will include the history of the funding, the meetings held to date, what the improvements will be, and a schedule of the improvements.

Councilman Williams also spoke regarding the Houston Street project that is expected to be completed in 2005. He has assured Mr. English that the project will be completed in phases. He explained that there are two sections within that project, and that both sections are fully funded.

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At 5:54 P.M., Mayor Pro-Tem Schubert stated that the City Council meeting will adjourn, but will resume at 6:30 P.M. for the Budget Work Session

(Councilman Schubert continued to preside at the meeting)

