REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL PLAZA BUILDING, THURSDAY, MARCH 18, 2004

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2004-11 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):

Update on the Library Strategic Plan and briefing by the San Antonio Public Library Board and Library Foundation on the New Century Library vision for the San Antonio Public Library system. [Introduced by Aubrey George, Acting Director, Library Department; Presented by John Nicholas, Library Board of Trustees, and Dennis Martinez, San Antonio Public Library Foundation]

The Council members present were: Flores, Williams, Segovia, Perez, Radle, Barrera, Hall, Schubert, Haass. ABSENT: Castro, Garza.

The “B” Session adjourned at 11:33 A.M.

2004-11 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, Castro, Hall, Schubert, Haass, Garza. ABSENT: Barrera.


2004-11 Pledge of Allegiance to the flag of the United States.
CERTIFICATE OF APPRECIATION: GEN. EUGENE E. HABIGER

Mayor Ed Garza read a Certificate of Appreciation for Gen. Eugene E. Habiger, USAF Retired, in recognition for his service at the San Antonio Water System (SAWS) from February 21, 2001 to March 16, 2004. He stated that on behalf of the Mayor and City Council, the City salutes Gen. Habiger for his contributions to the community, and for his reorganizational efforts at SAWS.

Gen. Habiger spoke in appreciation for the support by the City Council and City Manager during his tenure at SAWS. He recalled the challenging events between SAWS and the City of San Antonio that could not have been accomplished without the cooperation of the City Council.

The City Council members expressed their appreciation to Gen. Habiger and extended their best wishes for his future success.

PROCLAMATION: 10TH ANNUAL BASURA BASH

Mayor Ed Garza read a proclamation in recognition of the 10th Annual Basura Bash, a community effort to clean up a ten-mile stretch of the San Antonio River from South Alamo Street Bridge to Mission Espada. He named Saturday, March 20, 2004 as Basura Bash Day.

Mr. Mark Dobson, Basura Bash Committee Co-chair, stepped forward to accept the proclamation, and thanked the City Council and City Departments for their cooperation in assisting to clean the San Antonio River for its citizens.

BOARDS AND COMMISSIONS MEMBERS SWEARING-IN CEREMONY

Mayor Garza called forward Ms. Yolanda Ledesma, Acting City Clerk, to execute the Oath of Office to City of San Antonio board members. Certificates of Appointment were presented to the board members by the City Council.

POINT OF PERSONAL PRIVILEGE
On a point of personal privilege, Councilman Williams recognized a group of youth with high potential from Fairchild Tennis Park in District 2. He thanked Mr. Mike Gonzaba, Assistant Director of Parks and Recreation Department, and several other sponsors for working with this special group of young people.

2004-11 SWEARING-IN OF INCOMING MAYOR PRO TEM RON SEGOVIA

Ms. Yolanda Ledesma, Acting City Clerk, administered the formal Oath of Office to incoming Mayor Pro Tem Councilman Ron Segovia of District 3 to serve from March 22 to June 2, 2004.

2004-11 Minutes of the Regular Council meeting of January 15 and January 22, 2004 were approved.

2004-11 CONSENT AGENDA

Councilman Williams made a motion to approve Agenda Items 6 through 13C, constituting the Consent Agenda, except for Items 7, 8, 9 and 11 which were pulled for individual consideration. Councilman Haass 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, Castro, Hall, Haass, Garza. NAYS: None. ABSENT: Barrera, Schubert.

AN ORDINANCE 98959

ACCEPTING THE LOW RESPONSIVE BID SUBMITTED BY DIXIE FLAG MANUFACTURING CO. TO PROVIDE THE CITY OF SAN ANTONIO ALAMODOME WITH FABRICATION AND INSTALLATION OF ALAMODOME INTERIOR AND EXTERIOR "LOOK" BANNERS FOR A TOTAL AMOUNT OF $29,405.00

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2004-11
March 18, 2004
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AN ORDINANCE 98960

APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND THE SAN ANTONIO RIVER AUTHORITY (SARA); AMENDING THE HIGH RESOLUTION DIGITAL ORTHOPHOTOGRAPHY CONTRACT WITH AERO-METRIC, INC. D/B/A MARKHURD, PASSED AND APPROVED BY ORDINANCE NO. 97065; AND AUTHORIZING THE ACCEPTANCE OF $291,860.00 FROM SARA FOR THE CONTRACT PRICE INCREASE.

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AN ORDINANCE 98961

APPROVING THE PARADE PERMIT AND AUTHORIZING THE TEMPORARY CLOSURE OF PORTIONS OF CERTAIN STREETS IN THE DOWNTOWN AREA IN CONNECTION WITH THE GOOD FRIDAY PROCESSION SPONSORED BY SAN FERNANDO CATHEDRAL TO BE HELD FROM NOON TO 9:00 A.M. TO 12:30 P.M. ON FRIDAY, APRIL 9, 2004.

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AN ORDINANCE 98962

APPOINTING ANNETTE S. KARP (DISTRICT 8) TO THE AFFIRMATIVE ACTION ADVISORY COMMITTEE FOR A TERM OF OFFICE TO EXPIRE ON JANUARY 31, 2006.

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AN ORDINANCE 98963

APPOINTING DR. THOMAS HANNA (LICENSED VETERINARIAN CATEGORY – DISTRICT 6) TO THE ANIMAL CARE SERVICES ADVISORY BOARD FOR A TERM OF OFFICE TO EXPIRE ON APRIL 3, 2005.

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AN ORDINANCE 98964

APPOINTING VICTOR M. HELBLING (COMMUNITY REPRESENTATIVE CATEGORY – DISTRICT 10) TO THE CAPITAL IMPROVEMENTS ADVISORY COMMITTEE FOR A TERM OF OFFICE TO EXPIRE ON OCTOBER 25, 2005.

2004-11 The Clerk read the following Ordinance:

AN ORDINANCE 98965

REAFFIRMING AND DECLARING THAT THE SAN ANTONIO RANCH WATER RECYCLING CENTER ELIMINATION PROJECT ("PROJECT") IS A NECESSARY PUBLIC PROJECT; FURTHER REAFFIRMING AND DECLARING THAT A PUBLIC NECESSITY EXISTS FOR THE ACQUISITION OF PERMANENT EASEMENT INTERESTS ACROSS, OVER, UPON AND UNDER CERTAIN PRIVATELY OWNED REAL PROPERTY, BY NEGOTIATION AND/OR CONDEMNATION, IF NECESSARY, FOR PUBLIC IMPROVEMENTS FOR USE AS A PART OF THE PROJECT; AUTHORIZING THE SAN ANTONIO WATER SYSTEM (SAWS) TO ACQUIRE PERMANENT EASEMENT INTERESTS ACROSS, OVER, UPON AND UNDER CERTAIN PRIVATELY OWNED REAL PROPERTIES DESCRIBED BELOW, BY NEGOTIATION AND/OR CONDEMNATION, IF NECESSARY, FOR PUBLIC IMPROVEMENTS FOR USE AS A PART OF THE PROJECT, TO WIT: A 0.0261 ACRE (1,138 SQUARE FEET) PERMANENT EASEMENT OUT OF CONVEYANCE TO LOS REYES INCORPORATED RECORDED IN VOLUME 6686, PAGE 666, IN COUNTY BLOCK 4522, AND KNOWN AS PARCEL 8126; A 0.0030 ACRE (130 SQUARE FEET) PERMANENT EASEMENT OUT OF LOS REYES CANYONS UNIT 1 SUBDIVISION RECORDED IN VOLUME 9535, PAGE 74, IN COUNTY BLOCK 4522, AND KNOWN AS PARCEL NO. 8127; A 0.1364 ACRE (5,491 SQUARE FEET) PERMANENT EASEMENT OUT OF LOS REYES CANYONS UNIT 1 SUBDIVISION RECORDED IN VOLUME 8753, PAGE 99, OUT OF LOT 6, BLOCK 1, COUNTY BLOCK 4522, AND KNOWN AS PARCEL NO. 8128; A 0.0291 ACRE (1,269 SQUARE FEET) PERMANENT EASEMENT OUT OF LOS REYES CANYONS UNIT 1 SUBDIVISION RECORDED IN VOLUME 6686, PAGE 666, OUT OF LOT 5, BLOCK 1, COUNTY BLOCK 4522, AND KNOWN AS PARCEL NO. 8129; A 0.0383 ACRE (1,670 SQUARE FEET) PERMANENT EASEMENT OUT OF LOS REYES CANYONS UNIT 1 SUBDIVISION RECORDED IN VOLUME 6686, PAGE 666, OUT OF LOT 4, BLOCK 1, COUNTY BLOCK 4522, AND KNOWN AS PARCEL NO.
8130; A 0.0316 ACRE (1,376 SQUARE FEET) PERMANENT EASEMENT BEING OUT OF THAT LOS REYES INC. TRACT PER BEXAR APPRAISAL, NOT PART OF A 169.89 ACRE TRACT RECORDED IN VOLUME 6686, PAGE 666-670 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS OUT OF THE A. SALES SURVEY NO. 230, ABSTRACT NO. 1274, COUNTY BLOCK 5736 OF BEXAR COUNTY, TEXAS, AND KNOWN AS PARCEL NO. 8133; AND ANY OTHER PARCEL OR PERMANENT EASEMENT REQUIRED FOR PUBLIC NECESSITY, THAT MAY DEVELOP ALONG THE PROPOSED ALIGNMENT OF SAID PROJECT BETWEEN PARCEL NO. 8117 AND PARCEL NO. 8141 INCLUSIVELY AND ANY REFERENCE TO LOS REYES CAN APPEAR IN ANY OF VARIOUS STYLES TO INCLUDE LOS REYES, INCORPORATED, A TEXAS CORPORATION; LOS REYES CANYONS HOMEOWNER’S ASSOCIATION, INCORPORATED; LOS RAYAS, AND ETC.; ALL REQUIRED PERMANENT EASEMENTS ARE LOCATED WITHIN BEXAR COUNTY, TEXAS, AND ARE REQUIRED FOR A PUBLIC PURPOSE AS PART OF THE PROJECT; AND SUBJECT TO OBTAINING SUCH REAFFIRMATIONS AND AUTHORIZATIONS FROM THE CITY COUNCIL AS DESCRIBED ABOVE AUTHORIZING SAW’S STAFF AND/OR THEIR AUTHORIZED INDEPENDENT NEGOTIATOR TO NEGOTIATE AND EXECUTE ALL NECESSARY AGREEMENTS WITH THE OWNERS OF CERTAIN PRIVATELY OWNED PROPERTIES FOR THE ACQUISITION OF PERMANENT EASEMENT INTERESTS IN CERTAIN PRIVATELY OWNED PROPERTIES AS DESCRIBED ABOVE; FURTHER AUTHORIZING SAW’S DESIGNATED SPECIAL COUNSEL TO FILE EMINENT DOMAIN PROCEEDINGS, IF NECESSARY, AND PROSECUTE ALL SUCH CONDEMNATION PROCEEDINGS THROUGH FINAL JUDGMENT AND ALL NECESSARY APPEALS FOR THE CONDEMNATION OF PERMANENT EASEMENT INTERESTS IN CERTAIN PRIVATELY OWNED PROPERTIES AS DESCRIBED ABOVE; AND DECLARING THAT THE CONVEYANCE OF ALL SUCH PERMANENT EASEMENT INTERESTS IN CERTAIN PRIVATELY OWNED PROPERTIES AS DESCRIBED ABOVE SHALL BE TO THE CITY OF SAN ANTONIO FOR THE USE AND BENEFIT OF THE SAN ANTONIO WATER SYSTEM; FINDING THE ORDINANCE TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

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

In response to Councilman Perez, Mr. Gerald Morton, San Antonio Water System, stated that a similar presentation was brought to the City Council recently, that these properties
were not included in that original item. Mr. Morton explained that the elimination portion of the project includes a lift station downstream from San Antonio Ranch to be combined into a larger sewer outfall line.

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.

2004-11 The Clerk read the following Ordinance:

AN ORDINANCE 98966

AUTHORIZING THE PAYMENT OF $31,671.00 TO THE AIRPORTS COUNCIL INTERNATIONAL, NORTH AMERICA, FOR 2004 ANNUAL DUES AND MEMBERSHIP FEES.

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

In response to Councilman Perez regarding any duplication of services, Mr. Kevin Dolliole, Director, Aviation Department, described Airports Council International (ACI) as one of the two trade organizations representing the airport operators industry. He explained that ACI can influence legislation as it occurs and impacts the airport industry as a whole, and provides information as to any new proposed regulations. He also spoke regarding the second organization, Triple AE, that is a similar, but is a distinct service trade organization where membership is by individuals.

In response to Councilman Perez, Mr. Dolliole stated that he is not presently a member of the ACI Board of Directors, but that may be a possibility in the future since positions are limited.

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

AN ORDINANCE 98967

AUTHORIZING AN AMENDMENT TO ORDINANCE NO. 94589 OF SEPTEMBER 20, 2001 AND ORDINANCE NO. 95343 OF FEBRUARY 21, 2002 PERTAINING TO SECURITY FEES AT SAN ANTONIO INTERNATIONAL AIRPORT; ESTABLISHING THE FOLLOWING FEES: $5.00 ADMINISTRATIVE FEE FOR FBI FINGERPRINT-BASED CRIMINAL HISTORY RECORDS CHECK FOR NON-AVIATION DEPARTMENT EMPLOYEES; $2.00 FOR AN AIR OPERATIONS AREA PARKING PERMIT; $10.00 FOR A NON-RETURNED SECURITY-ACCESS ID BADGE FOR ALL AIRPORT TENANTS AND CONCESSIONS; AND AN INCREMENTAL FEE FOR SECURITY-ACCESS ID BADGE REACTIVATION AFTER A SECURITY VIOLATION OF $20.00 FOR THE FIRST VIOLATION, $30.00 FOR THE SECOND VIOLATION, AND $40.00 FOR THE THIRD VIOLATION; AND $25.00 FOR EACH LOST/NON-RETURNED KEY; AND AUTHORIZING A REFUND OF $5.00 FOR EACH WHITE SECURITY BADGE AND $15.00 FOR EACH RED, YELLOW, OR GREEN SECURITY BADGE RETURNED TO AVIATION DEPARTMENT POLICE WITHIN THIRTY (30) DAYS FROM THE DATE THE SECURITY BADGE WAS DECLARED LOST OR STOLEN.

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

In response to Councilman Perez regarding the parking permit fee for the Air Operations Area (AOA), Mr. Dolliole stated that the fee is for authorized parkers on the AOA designed to cover the costs of the lost and reactivated permits. He described the process in the events where individuals may violate security, and their badges are disengaged from the system. He stated that after retraining and reactivating their badges, only then are those individuals legitimate to again operate on the airfield. He also stated that fees for second or third repeat offenders are increased, with no reissue on a fourth offense.

Councilman Perez made a motion to increase those fees by 10%-15% in an effort to heighten awareness of the badges. The motion was seconded by Councilman Segovia.

In response to Councilman Castro regarding badges, Mr. Dolliole stated that there are different levels of badges with different levels of access that are issued, depending on the area of employment. Mr. Dolliole further explained that records are maintained with regards to individual offenders of security regulations on the airfield, and appropriately charged the amount associated with the number of offense, or non-issue of
a badge at the fourth offense. He stated that the impact of those records for future employment in the industry varies from company to company, depending on their level of offense and eligibility for rebadging.

In response to Councilman Flores regarding the security process, Mr. Dolliole stated that a very thorough background check is conducted before issuing security badges. He also stated that a sign-off, or sponsorship by an airline or another operator on the airport, as well as a request to the appropriate level of access for that employee is initially required. He explained that badges are reissued or updated every other year, taking into consideration any lost or non-returned badges as individuals leave employment at the airport. He further explained that once a certain percentage of lost or non-returned badges is reached, all badges are reissued or revalidated as a further security measure. He stated that percentage has never been reached, although the most common offense is at the second level of a security breach. He stated there is a separate charge for replacing lost badges, and the sponsoring company is required to request that employee be reissued a new badge.

In response to Councilman Hall, Mr. Dolliole stated he had no problem with the $10 fee increase as Councilman Perez suggested.

In response to Councilman Perez regarding the FBI fingerprint base criminal history check and the $5 increase being requested, Mr. Dolliole explained the cost breakdown that allows the City to collect $5 for its badge processing fee.

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

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

The Clerk read the following Ordinance:
AN ORDINANCE 98968

AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO ACCEPT GRANT FUNDS IN THE AMOUNT OF $146,100.00 FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA), THROUGH THE DIVISION OF EMERGENCY MANAGEMENT OF THE TEXAS DEPARTMENT OF PUBLIC SAFETY, FOR REIMBURSEMENT OF ONE HALF OF ITS ADMINISTRATIVE AND OVERHEAD COSTS FOR THE OFFICE OF EMERGENCY MANAGEMENT.

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

In response to Councilman Perez regarding the program, Fire Chief Robert Ojeda stated that the annual grant from the Federal Emergency Management Agency (FEMA) provides for half of the administrative costs and personnel, as well as any essential expenses for Emergency Operations Center (EOC) up to $146,000. He added that the grant has increased by $70,000 over the last few years to reimburse costs for the EOC.

Chief Ojeda discussed some requirements of the grant which included to maintain a certain level of training and planning associated with the EOC’s operation. He noted that each quarter, EOC is to file a financial report on those expenses EOC incurred in that period, as well as related accomplishments, plans, hours of training and exercises that took place in a quarter. He further noted that plans are updated throughout the years related to man-made or natural disasters, and also provides for various table-top scenarios and exercises.

Councilman Perez spoke regarding the successful preparedness of the Emergency Operations Center.

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

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2004-11 The Clerk read the following Ordinance:
AN ORDINANCE 98969

AUTHORIZING THE ISSUANCE OF $13,245,000 "CITY OF SAN ANTONIO, TEXAS TAXABLE GENERAL IMPROVEMENT REFUNDING BONDS, SERIES 2004"; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX FOR THE PAYMENT OF THE BONDS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE AND DELIVERY OF THE BONDS, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, ESCROW AGREEMENT AND A PURCHASE CONTRACT; COMPLYING WITH THE REQUIREMENTS IMPOSED BY THE LETTER OF REPRESENTATIONS PREVIOUSLY EXECUTED WITH THE DEPOSITORY TRUST COMPANY; AND PROVIDING FOR AN EFFECTIVE DATE.

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

Mr. Milo Nitschke, Finance Department Director, conducted a presentation for items 4A, 4B and 4C regarding the Sale of General Improvement Bonds, Series 2004, Combination Tax and Revenue Certificates of Obligation, Series 2004 and Taxable General Improvement Refunding Bonds, Series 2004. A copy of this presentation is on file with these papers. He acknowledged all parties involved in the successful development of the outstanding three bonds’ sale transactions.

Mr. Nitschke discussed the Syndicate Composition and highlighted the dynamics of the tax-exempt transactions. He explained the market movements of the ten-year treasury, and the Syndicate’s proposal to the City of San Antonio. He noted the sale of General Improvement Bonds, Series 2004 in the amount of $33,570,000; Combination Tax and Revenue Certificates of Obligation, Series 2004 in the amount of $29,525,000 and Taxable General Improvement Refunding Bonds, Series 2004 for $13,245,000. He itemized the bond sale, delivery schedule and bond ratings. He discussed the transaction summaries for each of the bond sales to include true interest cost and average life of the bonds. Mr. Nitschke noted the underwriter syndicate, listing each firm’s name, role and classification.

He introduced Ms. Ann Burger Entrekin, First Southwest Company, to present transaction highlights on the bond sales, taxable refunding and tax-exempt transactions. She provided a powerpoint graph to explain the market movements of the ten year
treasury. She gave a synopsis of the proposal to the City and stated that with $18,635,000 in unsold bonds, First Southwest, on behalf of the syndicate, made a bid to the City and agreed to underwrite the balance of the bonds representing 30% of the total transactions. She summarized the benefits of the bond sales for the City of San Antonio.

The following citizens appeared to speak:

Ms. Maria Dominguez, stated she opposes paying for bond sales with property taxes. She also spoke in opposition to the City allowing a tax abatement to Toyota Manufacturing.

Mr. Jack Finger, P. O. Box 12048, spoke regarding his opposition to using general improvement bonds for Item 4A. He expressed his concern regarding true interest costs in comparison with other financial instruments.

He also spoke regarding campaign contributions to Councilman Hall by one of the underwriters for this item, and suggested Councilman Hall abstain from voting on this item.

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In response to Councilman Hall regarding local bond issuance, Mr. Nitschke stated local firms have always been included but not at 100%.

Councilman Hall stated the City Council is in full support of considering local firms and women-owned firms to benefit the local community. He also applauded Mr. Nitschke, his staff and city management for successfully obtaining the lowest rate at which the City may borrow money. He also expressed his appreciation to the banking investment firms for their efforts in the successful transactions.

Councilman Perez commended Mr. Nitschke, his staff and the rating agencies for their efforts on the transactions. He thanked the Mayor and City Manager for the opportunity to participate in the presentation.

City Manager Terry Brechtel, discussed the superb ratings by each of the agencies and expounded on their reflections on the reports. She stated that on the financial side, the City of San Antonio was noted to have favorable economic activity and diversification, solid financial practices, a strong financial performance positioning and a well managed direct debt position. The agencies, she noted, have a positive outlook on the City's ability to borrow in the future. She stated that with respect to the economy, the agencies complimented San Antonio for having a strong economy, a healthy economic growth and diversity, and for proactively addressing such development as the Brooks Development
Authority and Kelly USA. She also noted that the agencies acknowledged the growing job market in areas of the South Texas Medical Center, biomedical and health care, and how San Antonio fairs to employment and unemployment. She further noted that the agencies cautioned the City as it moves forward in the 2004 budget and its reserves in the future. She recommended that the Council take time to read each of the reports.

Mayor Garza spoke to the challenges and proactive approach that staff and management have taken on this very important matter. He thanked the Council for their continued vision and support on the City’s financial status.

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

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2004-11 The Clerk read the following Ordinance:

**AN ORDINANCE 98970**


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

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

Mr. Ramiro Cavazos, Director of Economic Development Department, introduced Mr. Alan D. Miller, Chief Executive Officer, Alamo Workforce Development (AWD), who presented a briefing on the Local Workforce Board, Plan Modification FY 2004. A copy of the presentation is on file with these papers.

Mr. Miller stated the modification plan is an annual process as required by the Texas Workforce Commission (TWC). He highlighted the Alamo Workforce Development (AWD) planning process and key changes to the Local Workforce Board (LWB) plan modification FY 2004. He discussed the transition and integration of employment services to include service priority given to veterans and disabled veterans. Mr. Miller spoke regarding the major area of change in the plan involved updating the target industries and demand occupations. He introduced two TWC staff members, Mr. Francisco Moncivais and Mr. Rick Zamarripa who utilized research and analysis software that was provided by the State. He noted the various agencies and other organizations who participated in the development of the plan. He gave the selection criteria and identified the current target industries to include specialty trades such as construction, telecommunications, aerospace, aviation information technology and bio-medical sciences and health services. He stated new industries that have been added include professional scientific and technical services, homeland security and bio-hazards, financial, insurance, and automotive/chemical/computer manufacturing. He also stated that logistics and transportation industries have seen growth and higher demand, as well as for warehousing and storage. He spoke regarding the current target occupations that align with many of those industries based on growth analysis. He discussed allocations of funding from the TWC for the formula programs, and presented an update on activities beyond the formula funded efforts that will continue in subsequent years.

Mr. Miller introduced Mr. Simon Salas, new Chairman of the TWC Board of Directors.

In response to Councilman Perez, Mr. Miller explained that through a process of evolution, State employees transitioned into local employment with local employment contractors that are hired by the LWB. He stated that the TWC and SER Jobs for Progress, Inc. (SER) jointly supervise and direct the activities of the service staff and are both involved in their evaluation process. Mr. Miller also stated that there are several contractors for several types of programs, and noted that the Workforce Center Operation
in San Antonio is administered by SER. He added that eleven rural programs are administered by the Alamo Area Control Development, a part of the Alamo Area Council of Governments (AACOG).

In response to Councilman Perez, Mr. Miller stated that Professor Rich Butler is an Economist at Trinity University, who has served as President of the Academy Board, and as a source of information and knowledge on other efforts. Mr. Miller also restated the dynamics of target occupations that are based on analysis that determines the current demand.

Discussion ensued between Councilman Perez and Mr. Miller who stated that AWD does not provide training for demand occupations, but rather a process is undertaken by which institutions provide such training that must relate to the demand occupations and qualify for support by AWD. He also stated that an individual undergoes an assessment to determine the choice of occupation, after which they are provided with a list of providers who offer that specific training. For those individuals who do not quality, Mr. Miller stated, AWD advises them of other financial aid opportunities that may assist them in their pursuit for training.

Discussion further continued on automotive training and the fact that Toyota Manufacturing, Inc. (Toyota) is planning to conduct its own training for their employees.

Mr. Miller concurred that while Toyota encourages prospective employees to sharpen their basic skills, AWD will offer an advantage for those who will better position themselves to compete for jobs with Toyota by participating in training for skilled trades. He stated those skilled trades are for manufacturing, electrician, heating and air conditioning.

In response to Councilman Perez, Mr. Miller restated the transition and integration of the Employment Services Program.

In response to Councilman Castro regarding a vision of continuing programs for individuals, Mr. Miller stated that AWD maps out a career path for individuals that, with continuing education, have the opportunity to enter into a higher level of career status and better earnings.

In response to Councilman Hall regarding difference between TWC and Project Quest, Mr. Miller stated that AWD is a planning entity recipient of federal fund identifying target industries and demand occupations. He added that AWD determines where local resources may be applied for a more positive return on investment. He also stated that AWD works in cooperation with a host of agencies, including Project Quest, who all are engaged in the delivery of services. In the case of Project Quest, Mr. Miller noted that
AWD coordinates services with that program for assistance to individuals for tuition or child care in an effort to avoid duplication of efforts.

In response to Councilman Schubert regarding a return on investment model, Mr. Miller stated that it is a work in progress and is scheduled to be completed in 30 to 60 days. He added that once it is formatted, the basic model will be part of the quarterly report.

In response to Councilman Schubert with regards to the average length of job training, Mr. Miller stated it averages to approximately six months. He spoke regarding the 260 programs available, of which thirty-seven are for a one-year certificate program, and sixty-four are a two-year associate degree program.

Discussion ensued between Councilman Schubert and Mr. Miller pertaining to the process of training for individuals who do not have a GED certificate. Mr. Miller stated AWD coordinates with several local agencies in an effort to assist these individuals in obtaining their GED through basic literacy skills, or English as a second language. He added that AWD is expanding into integrating basic education literacy skills with basic vocational training to transition individuals into the work force more efficiently. Mr. Miller noted that the coordination with local agencies depends largely on the needs of the individual.

In response to Councilman Schubert regarding contractors’ performance, Mr. Miller stated that contractors participate in a regular procurement process, and are required to meet performance measures.

Mr. Miller stated that AWD is allocated $36 million, but has the advantage of drawing matching dollars from the federal government.

Councilman Schubert stated that he is interested in the investment repayment calculation, and commended Mr. Miller and TWC for reinvigorating its annual efforts to seek out appropriate venues for those in need.

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

The Clerk read a proposed ordinance renewing and amending an existing fifteen (15) year Interlocal Agreement between the City of San Antonio and the Alamo Community College District to facilitate the annual administration and monitoring duties associated with City Public Service proceeds encumbered under the City of San Antonio
v. Alamo Community College District Settlement Agreement; and establishing an education and training budget for the period April 1, 2004 through March 31, 2005.

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

Mr. Ramiro Cavazos, Director, Economic Development Department, made a presentation on the Renewal of the City of San Antonio and the Alamo Community College District (ACCD) Interlocal Agreement. A copy of this presentation is on file with these papers.

Mr. Cavazos outlined the purpose and background of the ordinance, and discussed the background on the fund history. He outlined the agreement terms regarding two accounts, the Building Account and the Education and Training Account used for customized training and other projects that support the City's economic and workforce development goals and strategies. He provided a fund history and a breakdown of the Year Four training budget for a total of approximately $593,375. He highlighted various programs to include the Alamo Academies, City employee training, Department of Community Initiatives (DCI) Training, and customized training. He noted the policy analysis identifies that the agreements facilitate achievement of the City’s economic and workforce development strategies by implementing the goals of the City’s strategic plan for enhanced economic development; develop a pipeline of career skills training for San Antonio's youth as they enter the labor pool; address the training needs of City employees to enhance workplace skills and provide customized training for targeted technology industries that will act as an incentive for future business development.

He introduced Dr. Federico Zaragoza, representative of the Alamo Community College District (ACCD).

In response to Councilman Haass regarding the number of interlocal agreements in which the City is engaged, City Manager Terry M. Brechtel stated that while no specific number is available, she noted that the largest area of such agreements is with the City/County cooperation. She discussed that the City enters into this type of agreement to provide City services to the county. She stated that while the proposed agreement is with ACCD, staff is working with other local entities on similar agreements. She further stated that any time the City is working jointly with another entity, it calls for an interlocal agreement.

In response to Councilman Haass regarding the City’s benefits as a result of the agreement, Mr. Cavazos stated that as a result of original negotiations, there is no exchange of funds, and credits remain with ACCD from the 14% of City Public Service (CPS) revenues. He added that the one requirement maintained that the revenues be
focused on workforce development and training and that revenue remain within ACCD facilities.

Discussion ensued between Councilman Haass and Mr. Cavazos regarding clarification that the proposed agreement is at no cost to the taxpayers. Mr. Cavazos stated that the credits are currently in use, and as the City coordinates AWD development efforts, it has been the best alternative in settling the agreement.

Assistant City Manager Frances Gonzales stated that part of the partnership included construction of the Advanced Technology Center for the ACCD, that received $3 million in return as part of the agreement.

Councilman Haass reiterated the importance of noting to constituents that the interlocal agreements are at no cost to taxpayers.

In response to Councilman Haass, Mr. Cavazos stated the account is monitored on a monthly and quarterly basis by the City’s Finance Department, the Economic Development Department and by the City Manager’s Office. He also stated there is a constant thirty-day history on the status of the account.

In response to Councilman Williams regarding the $2.9 million building account, Mr. Cavazos explained that ever since the City and ACCD entered into litigation in 2000, annual allotments from the 14% were held in escrow. He stated that after 12 years, that fund had accrued $3 million that became the building fund that was set up as an education and training fund. He further stated that the City Council and City Manager recommended that $2.9 be utilized for a training facility post-base closure at Kelly USA. He added that the bulk of the funds have been expended with the completion of that project.

In response to Councilman Williams regarding fees for usage of the training facility, Dr. Federico Zaragoza, ACCD representative, stated there is a sliding fee schedule for tenants and the community as a whole, but anything sponsored by the City as agreed to in the partnership agreement, ACCD would be flexible as to when the fee will apply.

Discussion ensued between Councilman Williams and Mr. Cavazos regarding offset costs after three years. Mr. Cavazos stated that the ACCD Board of Trustees adopted a clause stating that in Year Four, the City could not credit $80,000 against the education and training account for administration costs. He noted that the partnership between the City and ACCD has proven to be one of solid goodwill.

In response to Councilman Williams, Dr. Zaragoza confirmed that the proposed agreement reflects dialogue between the City and ACCD that includes a management
plan to make up the deficit. He added that ACCD is in a good position to be able to operate at current levels based on the projections.

In response to Councilman Williams, Mr. Cavazos restated the process to determine the annual budget for the proposed agreement. He also stated that the budget is constantly monitored, and any budget requests that are brought before the City Council are based on the available credits. He confirmed that a major factor in budgeting conservatively is the 14% from CPS revenues.

(Mayor Garza was obliged to leave the meeting at 4:05 P.M. Mayor Pro Tem Radle presided.)

In response to Councilman Haass, City Manager Brechtel clarified the purpose of the interlocal agreement. She stated the agreement is a settlement agreement that is derived from the increment of 14% of revenues paid by ACCD to CPS for all ACCD campuses and facilities. She also stated that those funds would otherwise be from the City’s general fund. Ms. Brechtel noted that the City chose to dedicate those funds to much needed programs for the city, and for customized training for the City employees.

In response to Councilman Williams regarding extended training, Mr. Cavazos stated that it is ACCD’s responsibility to procure the talent and training to complete the training. He expounded on ACCD’s expert reputation of procuring the best programs for specialized training, and stated that ACCD would provide the City with the best delivery of service at the best cost.

In response to Councilman Perez, Mr. Cavazos provided a history of the settlement agreement that culminated with both the City and ACCD deciding on the best uses for resources that had been held in escrow.

In response to Councilman Perez, City Manager Brechtel clarified the fifteen-year agreement expectations. She stated that in 2016, the City could not collect additional revenues on 14% from the CPS revenues.

In response to Councilman Perez, Mr. Cavazos explained that in 2016, funds would continue to be used as credits until all funds are expended. Mr. Cavazos further restated the current budget for the academies’ operating costs.

Discussion between Councilman Perez and Mr. Cavazos ensued regarding the allocated funds that represent 20% of the overall funds used to support the academies. Mr. Cavazos stated that ACCD has been very aggressive in seeking additional funding.
Mr. Cavazos restated ACCD’s responsibility for customized training for City employees. He expounded on the fact that funding for customized training is not from the general fund, but rather from credits that the City receives annually. Regarding training for Enterprise Resource Management (ERM), Mr. Cavazos stated that a survey among City departments can be conducted through the Human Resources Department to determine the type of training that is needed. He added that once those surveys are completed, a recommendation will be submitted to ACCD to customize that particular training.

In response to Councilman Perez, Mr. Henry Ross, Assistant Director, Department of Community Initiatives, provided an account of the $60,000 that is allocated towards computer literacy training for seniors, and job readiness training for youth in the Youth Services Division program.

Discussion ensued between Councilman Perez and Mr. Cavazos with regards to the reserve funds for customized training. Mr. Cavazos stated that the reserve is a portion of an amount kept in abeyance in case there is a potential to contract with a company that provides specialized training. He added that the amount in the reserve fund rolls over every year.

In response to Councilman Perez regarding $80,000 that was previously allocated for administrative costs, Mr. Cavazos stated that it has now been incorporated into the increases in the City employee customized training account, as well as in the reserve for customized training.

Discussion followed between Councilman Hall and City Manager Brechtel regarding the 14% CPS revenue. Ms. Brechtel stated that no one is exempt from the 14%.

In response to Councilman Hall regarding the initial litigation with other community colleges across the nation that led to the interlocal agreement in 1987, Mr. Cavazos stated that there were several precedent-setting cases, but he was not aware of the individual results of those cases at the time. He also noted that as a result of the City and ACCD agreeing on the settlement, an annual review gives future City Councils and future ACCD trustees an opportunity to review the activity and present recommendations for the best use of the funds.

In response to Councilman Hall, Mr. Cavazos stated that if the Council chooses to not approve the interlocal agreement, the City would be required to revisit with ACCD and inform them of the Council action and propose a different set of recommendations for the upcoming year. He stated the purpose of the interlocal agreement is to define how the funds are to be allocated for the upcoming year.
Discussion ensued between Councilman Hall and Mr. Cavazos regarding the history of the settlement agreement, and Mr. Cavazos stated that at the time, both parties agreed that the settlement was the best recommendation presented. He could not speculate on other options that were available at that time, nor other recommendations by legal counsel.

Mr. Cavazos noted that the majority of training is conducted through ACCD, and that he was not aware of the exact dollar amount paid for by the City for training. He stated he would provide Councilman Hall an estimate of that amount, as well as a sampling of the type of training that has been provided by ACCD in the community.

In response to Councilman Hall regarding periodic assessments, Mr. Cavazos stated that presently the City does not conduct such an assessment, but a return on investment as described by Mr. Miller can be a helpful tool to determine benchmarks.

Councilman Hall discussed his vision for the level of education to increase and eventually phase out workforce training and development. He stated that while training provides job opportunities, he would hope the education level is also increasing regardless of the amount of money that is being spent for that endeavor. However, he noted that if no improvements are measured in the educational level, the City would have to seriously consider the meaning of workforce training and development, and how to continue investment in that area.

Mr. Cavazos stated he will relay his discussion to the AWD and come back to Council with a good baseline of the efforts that are being conducted in the community.

In response to Councilman Williams regarding expectations in 2016, City Manager Brechtel stated that staff will return with more thorough reports in terms of the 4\textsuperscript{th} Court of Appeals. She expounded on the sequence of events beginning in 1987 to 2000 when the City Council decided to enter into an agreement with ACCD on the use of accrued funds for several projects, one of which was the information technology academy at Kelly USA.

In response to Councilman Williams regarding language in the agreement, Mr. Cavazos clarified that ACCD is positioning itself as the center for training for the City and other partners who are seeking the use of their training facilities. He stated that $80,000 is a partial amount that is paid for the academies since the training is done at the ACCD facilities and to also cover future academies that will be coming on-line.

In response to Councilman Schubert, Ms. Brechtel confirmed a report would be forthcoming on those points that led the City into the agreement with ACCD.
Councilman Schubert spoke regarding a categorization of payback from the monies invested in training programs, and suggested a model that would give the Council a better understanding of the types of programs that are available and paid for by the taxpayers.

Mr. Cavazos stated he would provide that model to the City Council.

In response to Councilman Perez regarding tuition reimbursement, City Manager Brechtel stated the agreement is part of the tuition reimbursement program with ACCD.

Mr. Cavazos added that 80% of City employees enrolled in the tuition reimbursement program are utilizing ACCD facilities. With regards to other private education learning institutions, Mr. Cavazos noted that they are not ACCD facilities.

Ms. Frances Gonzalez, Assistant City Manager, stated that the tuition reimbursement program is budgeted out of the general fund budget in the amount of $50,000 and may be used by City employees for other campuses aside from ACCD facilities.

In response to Councilman Perez for clarification regarding the $80,000 previously allocated for administrative costs, Dr. Federico Zaragoza provided an explanation of the provision.

In response to Councilman Williams, Dr. Zaragoza discussed the cost effectiveness of the program that provides for an overall cost of $4,627 per participant for two years.

Councilman Hall spoke regarding his comfort level with the funding, but noted that he was not comfortable with the legal analysis of the interlocal agreement. He expressed his concern over the actions of previous City Councils on the agreement, and the effects on the 14% after fifteen years. He also noted his interest in learning more on the history behind the initial decision on the agreement, and to research the appeals by other community colleges on the same matter. He made a motion to table the item for one week in order to obtain legal background on the agreement.

Councilman Williams expressed his concern to yielding the process for the agreement, and recommended further discussion at a future “B” session.

City Manager Brechtel recommended future discussions regarding the legal issues in Executive Session, and clarified the intent of the proposed ordinance.

Councilman Hall reiterated his concerns and added that any findings regarding legal background may effect allocation of funds. He restated his motion to table the item for one week. Councilman Flores seconded the motion.
Discussion ensued between Councilman Schubert and City Attorney Martha Sepeda regarding clarification on the vote for the amendment and the main motion.

Councilwoman Radle clarified that the main motion is amended to table the item for one week.

After consideration, the motion to postpone the proposed Ordinance until May 25, 2004, prevailed by the following vote: **AYES:** Flores, Segovia, Perez, Radle, Hall, Haass, Schubert. **NAYS:** Williams. **ABSENT:** Barrera, Castro, Garza.

2004-11 TRAVEL AUTHORIZATION – Granted:

Ratification of Travel Authorization for Councilman Enrique Barrera, District 6, who will travel to Guadalajara, Mexico, to attend and speak at the Ethics In Politics and Business Conference (Two Countries, Two Visions, Two Cultures) from March 18, 2004 through March 20, 2004.

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

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

The City Council adjourned for a break at 4:55 P.M. and reconvened in its regular session at 5:00 P.M.

CITIZENS TO BE HEARD

MR. GUILLERMO VASQUEZ

Mr. Guillermo Vasquez, Co-Director, Service Employees International Union, (SEIU) Local 1967, spoke regarding City employees workers’ rights to form a union. He stated that SEIU had requested that the City clarify its policies with regards to SEIU’s access to the workplace, and to employees’ rights to communicate and learn about their rights at the workplace. He also stated that a letter was submitted to the City Attorney requesting
that the City cease and desist all illegal restrictions on union activity. He requested support from City management to collaborate for a joint resolution.

Councilman Radle welcomed SEIU members from across the country. She stated that the City Council and City management support employees’ rights and stand to ensure that all rights are upheld.

**MR. CRUZ CHAVIRA**

Mr. Cruz Chavira, Starcab, spoke in appreciation to officials who have assisted in improving the taxi industry in San Antonio. He described the effects that the attack on 9-11 had on the livelihoods of taxi drivers and their families in San Antonio. He also stated that as a result of the efforts and perseverance of one of their peers, Mr. Antranik (Tony) Baldjian, a petition was presented to the City Council requesting assistance with several problems that taxi drivers in San Antonio were facing. He thanked Mr. Baldjian for being the force behind the success of the petition. He also presented plaques to City Manager Brechtel, Mayor Ed Garza, Police Capt. Stanley Biedrzycki, Mr. Kevin Dolliole and Mr. Dom Smith, Director and Assistant Director, respectively, Aviation Department, for their intervention and assistance towards the taxicab industry. Mr. Chavira acknowledged the outstanding performance of City staff at the San Antonio International Airport.

**MR. ANTRANIK BALDJIAN**

Mr. Antranik Baldjian, Starcab, spoke in appreciation to the City Council and City Management for their continued support to the taxicab industry.

**MR. NAZIRITE RUBEN FLORES PEREZ**

Mr. Nazirite Ruben Flores Perez, 627 Hearn Avenue, spoke regarding his concerns over an incident involving a police officer who allegedly entered into a private property to issue a citation to the property owner.

**MS. NIKKI KUHNS**

Ms. Nikki Kuhns, 14003 Fairway Oaks, spoke regarding her opposition to the City Charter Reform and term limits. She distributed copies of literature supporting her concerns. She also spoke regarding her advocacy for safe drinking water and to her opposition to fluoridation. Ms. Kuhns provided information on the monetary contributions by private industries that have been made towards city-wide fluoridation. She requested that Council members communicate with the contributors in an effort to deter future funding for fluoridation.
Ms. Kuhns also requested that the City Charter be made available in its entirety on the City's website, and that City Charter Reform Proposals 1 – 4 also be posted on the same website.

In response to Councilman Castro, Acting City Clerk Yolanda Ledesma stated that the Information Technology Services Department is in the process of restoring the City Charter to the City's website in a user-friendly mode.

There being no further business to come before the City Council the meeting was adjourned at 5:34 P.M.

APPROVED

EDWARD D. GARZA
MAYOR

Attest.

YOLANDA L. LEDESMA
Acting City Clerk

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