

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

A BUDGET WORKSESSION AND PUBLIC HEARING OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO WAS HELD IN THE COUNCIL CHAMBERS, MUNICIPAL PLAZA BUILDING, WEDNESDAY, SEPTEMBER 3, 2008.

The San Antonio City Council convened in a Budget Work Session at 2:30 pm Wednesday, **September 3, 2008**, in the Municipal Plaza B Room with the following Councilmembers present: Cisneros, McNeil, Ramos, Cortez, Galvan, Herrera, Rodriguez, Cibrian, Rowe, Clamp, and Mayor Hardberger.

1. CITY STAFF PRESENTATION, AND POSSIBLE COUNCIL ACTION, ON THE FY 2009 PROPOSED BUDGET, FOCUSING ON, BUT NOT LIMITED TO, THE FOLLOWING:

A. SOLID WASTE SERVICES

B. PLANNING AND DEVELOPMENT SERVICES

C. PROPOSED FEES/RATE ADJUSTMENTS INCLUDED IN THE FY 2009 PROPOSED BUDGET

Mr. David McCary, Director of Solid Waste Management, stated that the Solid Waste Department's focus was on efficiency and innovation, while maintaining safety as top priority. He provided an overview of the Solid Waste Fund and noted that it was not supported by property tax. He noted that the average Worker's Compensation claims were \$1 million per year prior to the Automated Conversion Program. He stated that the customer monthly fees supported the operation and maintenance of various programs such as the Semi-Annual Brush and Bulky Item Pick-up, Household Hazardous Waste Disposal, and support to the Office of Environmental Policy. He outlined the FY 2009 Proposed Budget and referenced the progress of the Automated Conversion Program. He stated that the results of the customer survey confirmed an 85% approval rate with automated collection service. He made note of the opportunity of 46 current collectors to participate in CDL Training to become eligible for promotion, and reported that 138 internal promotions had been made in FY 2008.

Mr. McCary cited the benefits of the Automated Conversion Program and City Manager Sculley added that by the end of the month, half of the City would be participating in the Automated Program. She spoke to the costs associated with the purchase of equipment in order to complete the conversion and stated that no employees had been laid off. She noted that the return on investment with the Automated Program would be realized in 2013.

In response to Councilmember Rowe, who inquired about the \$15 million in costs associated with the budget for Solid Waste, Mr. Peter Zanoni explained that the costs were associated with the purchase of the automated garbage trucks. He added that two different types of carts were purchased. Mr. McCary outlined the various costs associated with the Department's budget and highlighted the increase in fuel costs as well as other new costs.

Mr. McCary spoke about recycling enhancements and noted that San Antonio is being referred to as a recycling leader in Texas. He stated that although the City was only halfway through its Recycling Program, there had been a 100% increase in recycling tonnage. He added that this was due to the implementation of the Automated Collection Program and noted a 179% increase in recycling revenue.

Regarding Neighborhood Beautification and Brush Collection, Mr. McCary referenced a survey conducted by the University of Texas at San Antonio indicating an 80% satisfaction rate with the City's Brush Collection. As a result, Mr. McCary noted that the Brush Collection Program had been revamped to include the development of a communications campaign. He noted increased code enforcement, the establishment of volume limits, and a pilot program that would be implemented beginning October 1st where brush collection would take place on an "on-call" basis.

Mr. McCary explained the Utility Rebate Transfer which creates a savings for customers of about \$29 per household this fiscal year. He also referenced the Rate Payer Support Program administered by the Department of Community Initiatives, which assisted over 25,000 households in 2008. He discussed the current status of the Household Hazardous Waste Collection Program, as well as enhancements and the need to maximize services citywide. Lastly, Mr. McCary outlined the FY 2009 proposed rates for garbage, brush, environmental, and conversion fees, and offered a rate comparison. Compared to other cities across Texas, he confirmed that San Antonio offered one of the lowest monthly rates to its customers.

Councilmember Cibrian commended Mr. McCary for the advertising department programs and stated that she would like to see household hazardous waste pick-up for areas over the Edwards Aquifer Recharge Zone. In response to Councilmember Rowe, Mr. Zanoni noted that the projected costs for FY 2009 did not include the Utility Rebate Transfer. Councilmember Rodriguez encouraged recycling for townhome and condominium communities, while Mr. McCary confirmed that a pilot program had been implemented for same. Councilmember Ramos thanked Mr. McCary for his suggestions related to HAZMAT and the proposed enhancement to conduct community collection events in all quadrants of the City. Mr. McCary confirmed that the department would address any issues related to garbage pick-up and communicate with citizens as needed.

Councilmember Clamp expressed concern with the decrease of routes and the increase in the Department's budget over the next two years. Mr. Zanoni spoke about the necessary purchases in order to have the proper fleet for the Automated Program. He highlighted the eventual leveling-off point once all of the required fleet and other capital costs were absorbed. Councilmember Herrera highlighted various constituent recycling efforts and asked staff to utilize Compressed Natural Gas (CNG) Trucks whenever possible.

Mr. Roderick Sanchez, Director of Planning and Development Services, provided an overview of the Department and the Special Revenue Fund established in FY 2007. He explained the consolidation of the Planning and Development Services Departments and discussed the operational and employee impacts. He stated that a consultant by the name of Paul Zucker had been hired to assist with the consolidation. Mr. Sanchez explained the new Customer Service Initiative and noted that the Office of Historic Preservation would now report to the City Manager's Office. He outlined the FY 2009 Proposed Budget and noted the permit activity for new residential building permits, new and existing commercial building permits, and the total number of permits projected for FY 2009. Ms. Sculley added that the 12% decrease in the Department Budget was attributed to the economy and reducing the number of residential permitting.

Mr. Sanchez outlined the two-year Deficit Reduction Strategy and the plan initiated to eliminate the shortfall by the end of FY 2009. He stated that \$150,000 was proposed for consulting services for the 2010 Census to ensure an accurate Census count, and referenced \$70,000 in funding for the development of a strategic Historic Preservation Plan to improve the City's preservation program over the next 5 to 15

years. Lastly, he highlighted Revenue Adjustments to include new fees, optional service fees, and fee adjustments.

Councilmember Cibrian expressed concern regarding the demolition of homes and Mr. Sanchez responded that a policy was being worked on and would be brought to the Council in the near future. Councilmember Rodriguez asked if the Planning and Zoning Commissions would be consolidated and Mr. Sanchez replied that all functions of the Planning Department would remain intact.

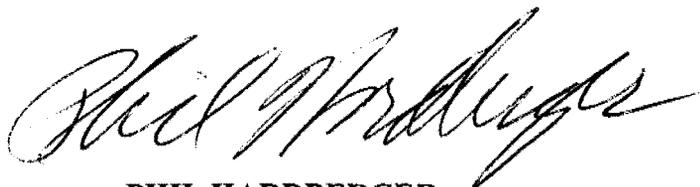
Mr. Zanoni provided an overview of the proposed fees and rate adjustments for the upcoming fiscal year. He highlighted 56 revenue sources and fee schedules identified for adjustment which would generate \$1.6 million in new resources. He discussed new and enhanced revenues and their impact to consumers. He outlined revenue associated with each of the following included in the General Fund: Rental of Downtown Facilities, Street Use Permit/Street Sign Fees, Health Inspection/Permits, Recreation and Culture Participation/Facility Rental Fees, Vehicle Permit Fees, Fire/EMS Fees, and Security System Fees/Permits. He referenced proposed revenue adjustments for other funds in the Proposed Budget: 1) Airport Operating and Maintenance Fund, 2) Animal Care Services Fund, 3) Community and Visitor Facilities Fund, 4) Planning and Development Services Fund, 5) Solid Waste Fund, 6) Purchasing and Contract Services Fund, and 6) Streets Right of Way Fund.

Councilmember Clamp asked about the Backflow Prevention Device Fee. Mr. Zanoni stated that it was based on the size of the pipe which could be anywhere between \$15 and \$75. Councilmember Cibrian expressed concern with the proposed late fine of \$25 per hour for Laptop Usage at the Library and Mr. Zanoni discussed how said fine would be imposed. He further explained the proposed increase in unregistered security systems and the process associated with registering a security system with the SAPD. Chief McManus spoke about the number of false alarms associated with security systems and suggested remedies for the large number of false alarms in the City. Mr. Zanoni added that the State imposed limits on what you could charge for false alarms and the residential fees were currently at the maximum rate. Councilmember Herrera requested percentages related to the number of residential and commercial false alarms and highlighted the importance of increasing the number of computers at Libraries. Assistant City Manager Erik Walsh spoke about the Transportation Advisory Board and the increase in fees for taxicab operations.

The Mayor and Council thanked Messrs. McCary, Sanchez and Zanoni for their budget presentations.

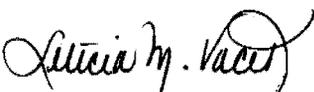
There being no further discussion, Mayor Hardberger adjourned the Budget Work Session at 4:50 pm.

A P P R O V E D



PHIL HARDBERGER
MAYOR

Attest:



LETICIA M. VACEK
City Clerk

The San Antonio City Council convened in a Public Hearing at 6:00 pm, Wednesday, **September 3, 2008**, Municipal Plaza Building with the following Councilmembers present: Cisneros, Ramos, Cortez, Herrera, Rodriguez, Cibrian, Rowe, Clamp. **ABSENT:** McNeil, Galvan, and Mayor Hardberger.

Item 2. PUBLIC HEARING ON THE FY 2009 PROPOSED BUDGET.

Mayor Pro-Tem Rodriguez declared the Public Hearing open at 6:00 pm and called on those registered to speak.

Mike Phillips, Paul Martinez, and Christina Castro spoke on behalf of COPS Metro Alliance. Ms. Castro asked the Council to embrace a model of shared prosperity for future generations. Mr. Phillips stated that by creating opportunities for children to engage in educational and recreational activities, juvenile delinquency is decreased. He urged the Council to support increased funding for Project Quest, adopt a new fee structure for summer afterschool programs, expand the San Antonio Education Partnership to two additional schools, and to increase funding for infrastructure.

Tiffany Nicole Hart stated that she took advantage of the Early Childhood Education & CDA Grant and is now Assistant Director of La Petite Academy. She noted that she was grateful for the opportunity and would not have been able to return to school if it were not for the CDA Grant.

Tony Sanchez, spoke in support of Project Quest and the RN/LVN/CNA Programs. He stated that the programs not only impacted the lives of the graduates, but also those of their families.

Frances Delgado stated that before participating in Project Quest, she had worked odd jobs with no opportunity for advancement. She added that she is on the 3rd Level of the LVN Program and expects to graduate in December, 2008.

Sara Christenson addressed the Council and stated that she was a stay-at-home mom but had returned to school with the assistance of Project Quest. She noted she was now a Registered Nurse at Santa Rosa Hospital and urged the Council to continue funding for Project Quest.

Larry Golf stated that he had heard about Project Quest through his Case Manager at the Salvation Army. He urged the Council to continue funding for Project Quest to help others such as himself.

Cynthia Hornsby, Director of the Davis-Scott YMCA, thanked the Council for the funding provided to their organization. Barbara Clack, Chairman of the Board of Directors, stated that her job was to raise funds to assist the many families that came to the YMCA and invited the Council to tour the facility. She thanked the Council for their generosity and requested the continuance of funding the Davis-Scott YMCA.

Debbie Degollado, Executive Director of the Child and Family Services Branch of the Southside YMCA, thanked the Council for the budget process and allowing the public to be heard. She introduced Board Chairman, Adrian Reyes and he thanked the Council for allowing the YMCA to focus on building a strong community, strong families, and raising strong children.

Cynthia LeMonds, San Antonio Youth Centers CEO, addressed the Council and highlighted the positive activities they provide for at-risk youth. She stated that the Center keeps children engaged in learning and that a high percentage passed the TAKS Test. She added that funding for the Centers was critical and urged the Council to consider funding their organization in the FY 2009 Budget.

Jim Watson spoke on behalf of the Boys and Girls Club. He thanked the Council for their past support and also thanked the staff of the Department of Community Initiatives. He introduced Jason Sanders, a senior member of the Boys and Girls Club. Mr. Sanders stated that his mother had made him a member of the club six years ago because he was getting into trouble. He noted that the Boys Club had turned out to be the best thing that happened in his life. Mr. Watson asked the Council to reconsider reductions in youth development and early childhood in the FY 2009 Budget.

Fred Cardenas addressed the Council in regard to Early Childhood Instructors and funding for same. He noted that they were the least paid and often had the highest turnover rates. He stated that when children were enrolled in quality programs with well-trained teachers, they were more likely to do well in school, attend college, and become a productive part of the workforce.

Melissa Kazen, Communities in Schools (CIS), addressed the Council and introduced one of the parents participating in their Program, Ruth Salazar. Ms. Salazar urged the Council to continue funding for CIS. Ms. Kazen also introduced Sebrina McCall, a CIS Graduate. Ms. McCall stated that she had behavioral problems and that CIS helped her better herself. Barbara Alexander, CIS Board Member, noted that CIS was the only school-based dropout prevention program in San Antonio. She asked the Council to reconsider the 27% cut proposed for CIS in the FY 2009 Budget.

Judge Bill Kazen addressed the Council and expressed support for CIS and the work that they do. He requested that Council consider their funding request.

Judge Oscar Kazen addressed the Council and spoke of the consequences and effects of the lack of education. He also requested that the Council fund CIS and thanked the Council for their support.

Wayne Alexander, Port of San Antonio Chairman, addressed the Council in support of CIS. He spoke of the 90% success rate of the program, but also noted that that same percentage of incarcerated individuals were high school dropouts. He stated he was humbled to sit on the Board of Directors and asked for the Council's continued support.

Linda Lowman addressed the Council regarding Early Childhood Centers and thanked the Council for their previous support. Dr. Ellen Marshall, Chairperson for Early Childhood Studies at San Antonio College, addressed the Council regarding Texas' minimum standards for Licensed Childcare Centers compared to the requirements for a Nail Salon.

Mariana Pena addressed the Council and requested an increase in Early Childhood and CDA funding. She spoke of the need for additional funds to provide more training for childcare teachers and presented a video of her childcare center.

Pamela Taylor addressed the Council on behalf of Dress for Success San Antonio. She introduced Denise Powers, who provided an overview of the organization and asked the Council to increase funding for their organization. Mr. Tim D'Antonio also addressed the Council on behalf of the organization and requested additional funding. Kimberly Folse referenced the items and support that are provided to the participants of the Dress for Success Program. Linda Guerrero and Ann Berk spoke in support of Dress for Success and explained how the organization has helped them. Brenda Forehand spoke of her and her husband's involvement with the organization. Renee Nez Garcia also addressed the Council in support of Dress for Success and asked for continued funding of the organization. Councilmember Cibrian expressed her support for the program participants. Councilmember Cisneros thanked all for attending the hearing.

Cam Messina addressed the Council in support of the Voices for Children Program. He acknowledged the Early Care and Education Task Force and spoke of the need to begin nurturing children early in life.

Earlene Gonzales addressed the Council and requested increased funding for the childcare workforce and proper training for instructors.

Eunice Grant requested funding for the Feed My Sheep Early Learning Center. Christine Hernandez referenced the teaching certification she had received through the program and the support from the staff. Dan Calderon stated that the teachers of the CDA Program were motivated to teach the children in the program and spoke about the diverse culture of the students at Feed My Sheep Early Learning Center.

James Parsons addressed the Council on behalf of the JOVEN Program. He introduced staff and some of the youth enrolled in the program. They thanked the Council for funding they have received. Councilmembers Cisneros and Cortez thanked the JOVEN Board Members for being present at the hearing.

Sonia Jimenez addressed the Council in support of Voices for Children and funding for early childcare training. She stated that there was a strong need for teachers to be properly trained to prepare children to become successful adults.

Tammy Bernal thanked the Council for providing funds for professional development of childcare instructors. She requested that requirements for the accreditation of centers be decreased as well as additional funding for professional development.

Linda Nairn and Linda L'Ronge spoke on behalf of the Friends of the Library. Ms. Nairn thanked the Council for the funding of the San Antonio Library System. Ms. L'Ronge expressed pleasure with the increase in the Library Budget and requested that library computers be repaired in a timely basis. Dr. Roberto Trevino addressed the Council and stated that he had been raised in Victoria Courts and was now a Physician and owns five clinics. He spoke of Diabetes and its risk factors and asked that funding be increased for the Bienestar Program.

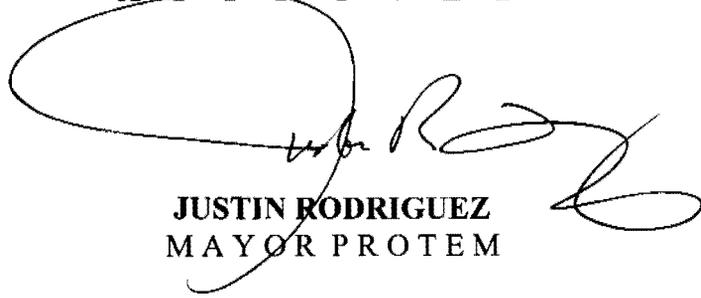
Loretta Van Coppenolle addressed the Council on behalf of the Sierra Club. She requested that some of the CPS windfall be directed to the Mayor's Sustainability Plan. She noted various methods to making homes more energy efficient.

Maria Velazquez spoke on behalf of the Palm Heights Neighborhood Association and requested funds for a new roof for their recreation center.

Ms. Vacek noted that Mr. Faris Hodge, Jr. had submitted written testimony with numerous budget recommendations and stated that said document was available in the Office of the City Clerk.

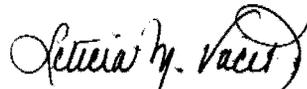
There being no other citizens signed to speak, Mayor Pro-Tem Rodriguez declared the Public Hearing closed at 8:11 pm and adjourned the meeting.

A P P R O V E D

A large, stylized handwritten signature in black ink, appearing to read "Justin Rodriguez", is written over the word "APPROVED".

JUSTIN RODRIGUEZ
MAYOR PROTEM

Attest:

A handwritten signature in black ink, appearing to read "Leticia M. Vacek", is written above the printed name.

LETICIA M. VACEK
City Clerk