

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

A WORK SESSION AND REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO WERE HELD IN THE MUNICIPAL PLAZA BUILDING, WEDNESDAY, APRIL 13, 2011 AND THURSDAY, APRIL 14, 2011, RESPECTIVELY.

The San Antonio City Council convened in a Work Session at 2:00 pm Wednesday, **April 13, 2011**, Municipal Plaza Building with the following Councilmembers present: Cisneros, Taylor, Ramos, Cortez, Lopez, Rodriguez, Williams, Chan, and Mayor Castro. **ABSENT:** Medina and Clamp.

In the absence of Mayor Castro, Mayor Pro Tem Lopez presided over the meeting and addressed Item 2 first. Councilmembers Cisneros and Rodriguez were not in attendance for Item 2.

2. BRIEFING AND DISCUSSION ON THE REQUEST FOR QUALIFICATIONS PROCESS FOR THE SELECTION OF A FINANCIAL UNDERWRITING POOL.

Ben Gorzell presented information regarding the Financial Underwriting Services Request for Qualifications (RFQ). He provided a list of outstanding debt totaling over \$2 billion comprised of General Obligation, Certificates of Obligation, Airport, and other bonds. He indicated that prior to 2006; the City selected syndicates for each type of financing and kept the syndicates in place for several years and multiple transactions. He stated that on October 19, 2006, the City Council approved a Financial Underwriting Pool of 16 firms which were utilized by the city for the selection of syndicates for financing transactions for a three-year period ending September 30, 2009. He noted that two firms exited the Pool in FY 2008 and the remaining 14 firms' contracts were extended for one year.

Mr. Gorzell outlined the benefits of utilizing a pool, noting that firms within the pool have a greater opportunity to participate in various transactions in Senior and Co-Managing Underwriter roles. He reported that a Request for Qualifications (RFQ) for Financial Underwriting Services was released on December 13, 2010 and that 34 proposals were received. He outlined the Evaluation Criteria included in the RFQ and stated that the proposals would be scored within three categories based on excess net capital. He noted that based on results of the scoring, firms from each of the three categories will be selected to be part of the Pool.

Mr. Gorzell stated that the Selection Committee was comprised of Finance, Aviation, and Economic Development Staff. He noted that Finance Department Staff and the City's Co-Financial Advisors would meet to develop recommendations for underwriting syndicates in conjunction with each proposed debt issuance. He indicated that the selection of proposed syndicates, including the role of each firm, would be determined based on background and expertise of firm, lead banker and lead underwriter; performance on past city financing transactions; and sales and distribution capabilities applicable to various types of financing. He mentioned that the syndicates would be presented to the City Council for consideration in conjunction with each proposed debt issuance. He provided results achieved from utilization of the Pool from 2006-2010, in which a total of 20 transactions were effectuated with a total par amount of \$1.4 billion. He reported that Small Business Economic Development Advocacy (SBEDA) Firms had served as Senior Managing Underwriter on five transactions, while a local firm served as Senior Managing Underwriter on two transactions.

Councilmember Cortez asked how the Selection Committee was determined. Mr. Gorzell stated that they had looked at city staff that are engaged in bond transactions and included departments that issue debt, as well as assist with Economic Development. Councilmember Cortez asked of the emphasis that would be placed on local participation. Mr. Gorzell replied that since the RFQ was solicited in December, the previous SBEDA Requirements of 20% would be considered and that an additional 10% would be provided to Professional Investments Bankers located in San Antonio. Councilmember Cortez stated that he would like to see a focus on local and regional firms. Councilmember Williams stated that he was supportive of the Pool Concept. He requested a matrix of the current firms in the Pool to include size of transaction, fundings, and rates obtained.

Councilmember Chan asked how many firms would be selected for the pool. Mr. Gorzell replied that 14-17 firms would be selected. Councilmember Chan asked of the syndicate selection process. Mr. Gorzell replied that they would select a firm for each transaction and rotate work to give all of the firms an opportunity to participate. He stated that they would look at the firm's past performance and recommend a syndicate to the City Council for each transaction. Councilmember Chan spoke of the SBEDA Requirements and asked how participation would be tracked in terms of revenue and experience. Mr. Gorzell replied that the SBEDA Component would be scored as part of the RFQ. In regard to tracking, Ms. Sculley referenced Slide 14 that provides the Pool Results Achieved from 2006-2010. Councilmember Chan stated that oftentimes, smaller firms look for experience and not just equity. Mr. Gorzell provided example of working with a smaller firm and providing them an opportunity to partner with a larger firm. Ms. Sculley stated that the ultimate goal was to achieve the lowest rates for the city.

Mayor Pro Tem Lopez asked how net capital is measured per firm. Mr. Gorzell replied that it was based on the net capital in their balance sheet. Mayor Pro Tem Lopez asked if staff was confident that small, local businesses would be selected for the Pool. Mr. Gorzell replied that only two small local firms have submitted proposals. Mayor Pro Tem Lopez spoke to small businesses being recruited to apply in the future.

The Council thanked Mr. Gorzell for the presentation.

1. A BRIEFING BY THE SAN ANTONIO WATER SYSTEM ON UPDATED LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS PLAN AND IMPACT FEES.

Councilmembers Cisneros and Rodriguez entered the meeting at this time.

Robert Puente, SAWS CEO, spoke of the growth of the community and stated that impact fees are required to be reviewed every five years. He introduced Kelley Neumann, SAWS Senior Vice President.

Ms. Neumann stated that impact fees were a one-time payment made by new development at the time of connection. She noted that the fees facilitate growth and that such fees were assessed by many utilities in Texas. She indicated that the fees were designed to recover capital costs associated with providing water and wastewater fees and that existing rate payers did not pay further impact fees unless service demand increased. She provided a list of the Capital Improvements Advisory Committee (CIAC), noting that they had conducted 15 public meetings regarding the Impact Fee Review Process. She reported that Texas Local Government Code mandates that Impact Fees only pay for capital costs and

require: 1) Land Use Assumptions Plan; 2) Impact Fee Capital Improvements Plan (CIP); 3) Calculation of Maximum Impact Fee; and 4) Updated every 5 years.

Ms. Neumann provided an overview of the Existing and New CIP Impact Fee Eligible Capacity totaling \$504.6 million. She spoke of the projected growth for 2011-2020 of New Water EDUs at 80,343 and New Wastewater EDUs at 107,075. She outlined the types of Impact Fees that include: 1) Water Flow; 2) Water System Development; 3) Water Supply; 4) Wastewater Collection; and 5) Wastewater Treatment. She provided maps of the existing and proposed Water and Wastewater Service Areas. She indicated that the impact fee CIP for Water Supply Projects had a total value of eligible capacity of \$117.7 million for projects to include the Regional and Local Carrizo, and the Brackish Groundwater Desal. She stated that the impact fee CIP for Wastewater Infrastructure had a total value of eligible capacity of \$171.3 million for wells, tanks, high service pumps, and transmission mains. Lastly, she reported that the impact fee CIP for Wastewater Infrastructure had a total value of eligible capacity of \$217.6 million for collection pipes, lift stations, and transfer lines.

Ms. Neumann stated that SAWS recommendations were: 1) The Water and Wastewater Land Use Assumption Plan and CIPs are accepted and recommended for City Council approval; 2) The proposed water, water supply and wastewater impact fees are accepted and recommended for City Council approval; and 3) SAWS Board of Trustees approved a Resolution on April 5, 2011. She outlined the CIAC recommendations, noting that they agreed with the Board Recommendations but supported a 24-month freeze on the proposed Wastewater Impact Fees. She indicated that the SAWS Board did not recommend a 24-month freeze. She stated that SAWS would continue their commitment to waive up to \$2 million per year and carryover unused waiver commitments.

Ben Gorzell spoke of the extensive amount of work that had been conducted on the process and stated that city staff had been involved and attended all of the CIAC meetings. He stated that city staff concurs with the calculation of the proposed impact fees and does not recommend a 24-month freeze of the Wastewater Impact Fees.

Councilmember Cortez asked of the use of impact fees. Ms. Neumann replied that the fees were utilized for new infrastructure and could not be used for purchasing water rights or Operation & Maintenance. Councilmember Cortez asked of outreach to stakeholders. Ms. Neumann stated that they had sent letters to 20 organizations but had not received any input. She noted that there would be an opportunity for input through the public hearing on May 12, 2011 and City Council Consideration on May 19, 2011. Councilmember Cortez asked of the impact to the Southwest Sewer Lines. Ms. Neumann replied that the infrastructure was designed to accommodate 100,000 new homes in the area and they would each pay an impact fee which reimburses the ratepayer for the project. She noted that the initial investment totaled approximately \$100 million. Councilmember Cortez spoke of the importance of growth throughout the city.

Councilmember Williams referenced Slide 7, noting a CIP Investment of \$3.8 billion but only \$500 million return equating to 13%. He stated that it was important to highlight that the investment is made up front and then recouped from development. He asked how much water as in an EDU. Ms. Neumann replied that it was 313 gallons per day. Councilmember Williams asked why the CIAC was opposed to the Middle Collection within Wastewater Collection. Ms. Neumann stated that there was a great amount of construction in the Middle Collection Area and the CIAC had not been pleased when the Middle Collection Area had been added.

Councilmember Ramos asked of the last time the fees were adjusted. Ms. Neumann replied that they were required to review the rates every five years and had last been adjusted in 2006. Councilmember Ramos asked of the \$504.6 million in eligible capacity referenced on Slide 7. Ms. Neumann stated that it was based on the amount of projects. Councilmember Ramos asked of the value of existing capacity compared to 2006. Ms. Neumann replied that they would provide that information to the City Council. Councilmember Ramos asked why the CIAC had recommended the 24 month freeze on the Wastewater Impact Fees. Ms. Neumann replied that it was due to the high cost and challenging economic conditions. She expressed concern that delaying the fee would have a great impact to the wastewater rates.

Councilmember Chan asked how often the 10-Year CIP was updated. Ms. Neumann replied that they update the plan every five years but project for 25 years. She noted that they also have a 10-Year Plan for Impact Fees. In response to Councilmember Chan, she reported that any under collection of Impact Fees would have to be shifted to rates. She noted that they could only charge for the unit cost that the development requires and were very careful not to overbill. Councilmember Chan asked of Water System Development. Ms. Neumann replied that the projects included wells, tanks, high service pumps, and transmission mains and varied due to the various elevation levels.

Mayor Castro entered the meeting at this time.

Councilmember Lopez referenced Slide 16 and asked of the Middle Elevation within Water System Development. Ms. Neumann replied that the infrastructure in the middle elevation was older and had been built at a much lower cost. Councilmember Lopez asked of the impact of a potential merger with BexarMet. Ms. Neumann stated that they have begun researching the impact and could come back to the City Council if additional areas for Impact Fees needed to be established. Councilmember Williams highlighted the fact that within the High Elevation Category of Water System Development, the High Elevation and Low Elevation Impact Fees were being decreased.

Mayor Castro thanked SAWS Staff for the presentation.

EXECUTIVE SESSION

Mayor Castro recessed the meeting at 3:45 pm to convene in Executive Session for the purposes of:

A. DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY AND DISCUSS RELATED LEGAL ISSUES PURSUANT TO TEXAS GOVERNMENT CODE SECTIONS 551.072 (REAL PROPERTY) AND 551.071 (CONSULTATION WITH ATTORNEY).

B. DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS, AND DISCUSS RELATED LEGAL ISSUES PURSUANT TO TEXAS GOVERNMENT CODE SECTIONS 551.087 (ECONOMIC DEVELOPMENT) AND 551.071 (CONSULTATION WITH ATTORNEY).

Mayor Castro reconvened the meeting at 4:27 pm at which time it was noted that the City Council had been briefed on the above-styled matters but took no action. He recessed the meeting at 4:27 pm and announced that the meeting would resume at 6:00 pm for Citizens to be Heard.

CITIZENS TO BE HEARD

Mayor Castro reconvened the meeting at 6:00 pm and called upon the individuals registered to speak.

Nick Calzoncit thanked Mayor Castro for his efforts on education and expressed concern that women do not play the role that they should within the field of education. He stated that he had invited a female Astronaut to speak at schools within the Harlandale School District and that he had taught chess to many young girls. He indicated that it was the responsibility of Female City Councilmembers to help close the gap. He spoke of the Klu Klux Klan that ran San Antonio in the 1920's and expressed concern that discrimination still exists today.

Mark Kellmann stated that in 1969, there were only two schools that offered a degree in Environmental Design; Texas A&M University in College Station and the University of California-Berkeley. He referenced a program called Leadership of Energy and Environmental Design from Berkeley and the LEED Design Standards from Texas A&M. He mentioned that tax incentives were provided for meeting LEED Design Standards. He provided comments that he and Larry DiMartino stated at a public meeting held by the River Oversight Committee related to the Broadway-Hildebrand Project. He noted that environmental design should be incorporated into the storm water policy.

Arturo Titian expressed concern with the high cost for towing services that was charged to his son the previous week. He stated that he was charged \$288 to retrieve the vehicle and \$288 for the attached boat and asked why a private tow company was allowed to ask for proof of insurance. He noted that he had spoken to a representative from the San Antonio Police Department who mentioned that many individuals had complained about being overcharged for towing services. He requested assistance in receiving a reimbursement.

Thomas McVea stated that he was born and raised on the Eastside and had always felt safe. He expressed concern that he no longer felt safe due to the behavior of San Antonio Police Officers. He spoke of an incident that occurred at his home in which Police Officers asked him to come outside and had their hands on their weapons. He stated that he was not properly dressed and asked why he had to come outside since he did not feel safe in doing so. He indicated that the Police Officers broke into his home through a back door while he was on the phone with a 9-1-1 Operator. He expressed concern that he had filed a complaint with Internal Affairs and had received a letter from the Police Chief stating that no disciplinary action would be taken on the two Police Officers that he had complained about. He added that he had also experienced another incident in which two Police Officers had stopped him while walking home but did not let him know why they had approached him. He asked that the harassment be addressed.

Faris Hodge, Jr. submitted written testimony and expressed concern that he was discriminated at a Budget Hearing because his name was called last to speak, even though he had signed up early. He wrote that the City Council was discriminating against non-union employee pay and benefits. He referenced the \$2.2 million donation by George and Kym Rapier to SAMMinistries and the bill to prohibit texting while driving. He wrote that free cab rides during Fiesta would help people get home safely. He asked that the city advertise in newspapers other than the Express News. He wrote against the operation of strip clubs and noted that child support payments were getting out of hand. He wrote that Park and Airport Police Officers should receive the same pay as San Antonio Police Officers. He wrote in support of four additional Council Districts and referenced an article written about him in the Express News on January 12, 2000.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 6:15 pm.

The San Antonio City Council convened in a Regular Meeting on Thursday, **April 14, 2011** at 9:00 am in the City Council Chambers.

ROLL CALL

City Clerk, Leticia M. Vacek, took the Roll Call and noted a quorum of the Council with the following present: Cisneros, Taylor, Ramos, Cortez, Lopez, Rodriguez, Williams, Chan, Clamp, and Mayor Castro. **ABSENT**: Medina.

Item 1. The Invocation was delivered by Rev. Ruben Garcia, Pastor, St. Cecilia's Catholic Church, guest of Councilmember David Medina, Jr., District 5.

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

Item 3. MINUTES

Councilmember Cisneros moved to approve the Minutes for the March 31, 2011 City Council Meeting. Councilmember Clamp seconded the motion.

The motion prevailed by the following vote: **AYES**: Cisneros, Taylor, Ramos, Cortez, Lopez, Rodriguez, Williams, Chan, Clamp, and Mayor Castro. **NAYS**: None. **ABSENT**: Medina.

ITEMS FOR INDIVIDUAL CONSIDERATION

Item 4. BRIEFING AND POSSIBLE ACTION ON LEGISLATION FILED IN THE 82ND REGULAR STATE LEGISLATIVE SESSION.

Carlos Contreras presented stating that 6,132 bills have been filed in the 82nd State Legislative Session. He reported that on April 3, 2011, the House passed HB 1, the Appropriations Bill for FY 2012-2013 which reflects a 12.3% reduction from FY 2010-2011. He outlined the hearings and testimony provided on bills including: City/County Consolidation; Inventory Tax; Zoning Authority around Military Installations; and Driving While Intoxicated (DWI). He recognized Councilmember Taylor for her testimony related to San Antonio Fire Department Recruitment; Councilmember Cortez for his testimony on Inventory Tax; Councilmember Lopez for his testimony related to Texas Municipal Retirement Services Amendments; and Councilmember Williams and Mayor Castro for their testimony related to the Tree Ordinance Bills.

Mr. Contreras provided a status of City of San Antonio Initiatives, noting that HB 690 by Representative Martinez Fischer related to increased punishment for graffiti offenses passed in the House on April 5, 2011 and HB 243 by Representative Craddick regarding the Statewide Ban on Texting While Driving passed in the House on April 8, 2011 and was received in the Senate but had not been referred. He spoke of pending issues including Tree Ordinance Bills SB 732 & HB 1388; SB 1741; and HB 2732.

He mentioned that SB 732 & HB 1388 were passed out of committees but are pending and have not been voted on. He noted that SB 1741 related to mitigation fees was aimed at the City of Austin but would have an affect on San Antonio as it relates to the calculation of mitigation fees. He added that HB 2732 would negate the city ordinance related to fair notice that determines vested rights and could result in increased litigation.

Mayor Castro thanked staff for their work and asked of the Tree Ordinance Bills. Mr. Contreras replied that SB 732 was passed out of the Senate IGR Committee and was left pending. He stated that it was listed on the intent calendar for consideration by the Senate Floor but had not been scheduled. He recognized Senators Wentworth and Van de Putte for their work to help block consideration of the bill moving forward in the Senate. He added that the companion bill, HB 1388 was passed out of the House Committee on March 9, 2011 but had not been referred. He recognized Representatives Martinez Fischer and Gutierrez who have been working with the city's lobbyists on the issue. He indicated that staff would continue to monitor the bills closely and keep the City Council informed on the status.

Mayor Castro thanked Senators Wentworth and Van de Putte, and Representatives Martinez Fischer and Gutierrez for their opposition to the legislation and understanding of the importance of the effects on San Antonio. He also commended Councilmember Williams and Former Mayor Hardberger for their testimony.

Councilmember Cortez thanked the legislators for their opposition to the Tree Ordinance Bills and asked of the status of the Texting While Driving Ban. Mr. Contreras replied that the bill was passed by the House on April 8, 2011 and has been referred to the Senate. Councilmember Cortez stated that Senator Uresti had committed his support to filing legislation and requested an update on same. He asked of the bills related to graffiti. Mr. Contreras stated that HB 690 contained provisions with respect to juveniles and that HB 38 relates to increased penalties for graffiti on historic structures and other property.

Councilmember Ramos asked of the status of HB 1488 related to San Antonio Firefighter Recruitment. Mr. Contreras replied that the bill had passed the House Urban Affairs Committee and hoped to have it approved by the House and sent to the Senate for consideration. Councilmember Ramos asked of any meetings related to City South with Senator Uresti. Mr. Contreras confirmed that he and T.C. Broadnax had met with Senator Uresti's Staff and discussed various issues and concerns. He noted that they had agreed to develop solutions and would keep the City Council informed. Councilmember Ramos requested that stakeholders including Toyota and Texas A&M University-San Antonio be involved in the discussion related to the make-up of the City South Board, noting that only five members live or own property in the area.

Faris Hodge, Jr. submitted written testimony in opposition to Item 4, noting that the city should publish the legislation filed in the newspaper.

There was no action required for Item 4.

CONSENT AGENDA ITEMS 5-20

Consent Agenda Items 7, 8, 9, and 14 were pulled for Individual Consideration.

Councilmember Chan recognized Mayor Emeritus Lila Cockrell for her work on green space and the park system (Items 19A-C). Mayor Castro thanked Mayor Cockrell for her continued leadership with respect to the city's parks.

Councilmember Cisneros moved to approve the remaining Consent Agenda Items. Councilmember Chan seconded the motion.

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

Faris Hodge, Jr. submitted written testimony in opposition to Item 5, noting that unit prices should not be established. He wrote in favor of Items 6-20.

The motion to approve the remaining Consent Agenda Items prevailed by the following vote: **AYES:** Cisneros, Taylor, Ramos, Cortez, Lopez, Rodriguez, Williams, Chan, Clamp, and Mayor Castro. **NAYS:** None. **ABSENT:** Medina.

2011-04-14-0292

Item 5. AN ORDINANCE AUTHORIZING THE FOLLOWING CONTRACTS ESTABLISHING UNIT PRICES FOR ANNUAL GOODS AND SERVICES: (A) AIR KON SERVICE, INC. FOR MATERIALS & LABOR TO MAINTAIN HEATING & AIR CONDITIONING SYSTEMS AT LA VILLITA AND MARKET SQUARE - LEASED & CITY OPERATED FACILITIES AND (B) ASK REPLY, INC. DBA B2GNOW FOR MAINTENANCE AND SUPPORT FOR B2GNOW SOFTWARE, (C) KM BUILDERS, INC., JMEG, LP, PSE CONTRACTING LLC, DBA POWER SOURCE ELECTRIC, AIR-STREAM AIR-CONDITIONING AND HEATING CO. INC., FOX SERVICE COMPANY, LENCOM INC. DBA LENTZ PAINTING, CRAFTSMAN PLUMBING AND SONNY'S PLUMBING, INC. FOR CONTRACTING SERVICES FOR MULTIPLE TRADE REPAIRS FOR CARPENTRY - ELECTRICAL - HVAC - PAINTING - PLUMBING.

2011-04-14-0293

Item 6. AN ORDINANCE ACCEPTING THE BID FROM TRANTEX, INC. TO PROVIDE TWO (2) OPERATOR PROPELLED THERMOPLASTIC APPLICATORS AND TWO (2) THERMOPLASTIC PRE-MELTER TRAILERS FOR A TOTAL COST OF \$102,603.88, FUNDED BY THE EQUIPMENT RENEWAL AND REPLACEMENT FUND (ERRF).

2011-04-14-0297

Item 10. AN ORDINANCE AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION AND THE ACCEPTANCE OF UP TO \$119,000.00 FROM THE TEXAS EDUCATION AGENCY (TEA) FOR THE ENGLISH LITERACY & CIVICS EDUCATION PROJECT FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2012; APPROVING A PROGRAM BUDGET AND AUTHORIZING A PERSONNEL COMPLEMENT OF ONE (1) POSITION FUNDED BY THE GRANT.

2011-04-14-0298

Item 11. AN ORDINANCE ACCEPTING A DISTRIBUTED RENEWABLE ENERGY STIMULUS GRANT FROM THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS STATE ENERGY CONSERVATION OFFICE IN THE AMOUNT OF \$380,000.00 FOR THE DESIGN, BUILD AND OPERATION OF SOLAR PANELS AT THE WEST END SENIOR CENTER FOR THE PERIOD ENDING DECEMBER 31, 2011; APPROVING AN ASSOCIATED BUDGET; AND AUTHORIZING

THE DIRECTOR OF THE DEPARTMENT OF COMMUNITY INITIATIVES TO EXECUTE ALL NECESSARY DOCUMENTS IN CONNECTION WITH THE GRANT AWARD.

2011-04-14-0299

Item 12. AN ORDINANCE RATIFYING THE SUBMISSION OF A CERTIFIED LOCAL GOVERNMENT (CLG) GRANT IN THE AMOUNT OF \$12,000.00 FOR HISTORIC FARM AND RANCH SURVEYS, RESEARCH AND STAFF TRAINING AND TRAVEL.

Item 13. APPOINTING DANIEL C. MARTINEZ (DISTRICT 2) TO THE ZONING COMMISSION FOR THE REMAINDER OF AN UNEXPIRED TERM OF OFFICE TO EXPIRE MAY 31, 2011, TO BE EFFECTIVE IMMEDIATELY UPON THE RECEIPT OF EIGHT AFFIRMATIVE VOTES, OR, IN THE EVENT EIGHT AFFIRMATIVE VOTES ARE NOT RECEIVED, TEN DAYS AFTER APPOINTMENT.

2011-04-14-0301

Item 15. AN ORDINANCE AUTHORIZING AN AMENDMENT AND FIRST EXTENSION OF THE PROFESSIONAL SERVICES AGREEMENT WITH GONZABA MEDICAL GROUP, FOR THE ADMINISTRATION AND MANAGEMENT OF THE CITY'S EMPLOYEE HEALTH AND WELLNESS CENTER FOR AN ESTIMATED ANNUAL AMOUNT OF \$341,808.00 FUNDED BY THE EMPLOYEE BENEFITS FUND.

2011-04-14-0302

Item 16. AN ORDINANCE AUTHORIZING (A) AN AGREEMENT WITH STAR INSURANCE COMPANY IN AN AMOUNT UP TO \$584,111.00 FOR EXCESS WORKERS' COMPENSATION AND EXCESS LIABILITY INSURANCE FOR A ONE YEAR TERM FROM MAY 1, 2011 TO MAY 1, 2012 FUNDED BY THE FY 2011 BUDGET AND (B) AN AGREEMENT WITH ACE USA INSURANCE COMPANY FOR AIRCRAFT HULL AND LIABILITY INSURANCE FOR A ONE YEAR TERM FROM MAY 1, 2011 TO MAY 1, 2012 IN AN AMOUNT UP TO \$139,000.00 FUNDED BY THE FY 2011 BUDGET.

2011-04-14-0303

Item 17. AN ORDINANCE AMENDING THE SMALL BUSINESS ECONOMIC DEVELOPMENT ADVOCACY (SBEDA) PROGRAM APPROVED BY CITY COUNCIL PURSUANT TO ORDINANCE NO. 2010-06-17-0531 TO: (1) PROVIDE FOR THE APPOINTMENT BY CITY COUNCIL OF 2 CITIZENS EACH TO THE GOAL SETTING COMMITTEES AND CLARIFY ELIGIBILITY CRITERIA; (2) LOWER THE CONTRACT SUM THAT CITIZENS ON GOAL SETTING COMMITTEES WILL VOTE ON TO \$3,000,000.00 AND ABOVE; (3) REVISE THE DEADLINE FOR SUBMISSION OF SUBCONTRACTING WAIVER REQUESTS TO THE DATE OF BID SUBMISSION; AND (4) ESTABLISH CRITERIA FOR CONSIDERATION OF SBEDA PROGRAM EXCEPTIONS.

2011-04-14-0304

Item 18. AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE HOUSING AND URBAN DEVELOPMENT (HUD) FY 2010-2011 CONSOLIDATED ANNUAL ACTION PLAN/BUDGET TO A) REPROGRAM \$561,244.00 IN COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS TO CONTINUE REDEVELOPMENT EFFORTS IN HISTORIC GARDENS, AND B) REPROGRAM \$67,135.00 IN FY 2009 EMERGENCY SHELTER GRANT FUNDS FROM THE CLOSED DWYER AVENUE CENTER TO HAVEN FOR HOPE CAMPUS PROGRAMS ALLOCATING \$46,000.00 TO

THE SAN ANTONIO FOOD BANK AND \$21,135.00 TO THE SAN ANTONIO METROPOLITAN MINISTRIES AND \$91,990.00 IN FY 2010 EMERGENCY SHELTER GRANT FUNDS ALLOCATING \$46,990.00 TO THE SAN ANTONIO FOOD BANK AND \$45,000.00 TO THE CENTER FOR HEALTH CARE SERVICES.

Item 19. CONSIDERATION OF THE FOLLOWING ORDINANCES RELATED TO THE JAPANESE TEA GARDEN AND JINGU HOUSE LOCATED IN COUNCIL DISTRICT 9:

2011-04-14-0305

- A. AN ORDINANCE ACCEPTING \$75,307.00 IN CASH AND/OR IN-KIND DONATIONS FROM THE SAN ANTONIO PARKS FOUNDATION TO SERVE AS MATCHING FUNDS FOR A \$212,500.00 TEXAS PARKS AND WILDLIFE DEPARTMENT GRANT, DESIGNATING \$82,193.00 IN PARKS SPECIAL REVENUE FUNDS WITH ALL FUNDS TO BE APPROPRIATED INTO THE JAPANESE TEA GARDEN OVERLOOK PROJECT, AND AMENDING THE CAPITAL IMPROVEMENT PLAN ACCORDINGLY.

2011-04-14-0306

- B. AN ORDINANCE AUTHORIZING THE EXECUTION OF A FUNDING AGREEMENT WITH THE SAN ANTONIO PARKS FOUNDATION IN AN AMOUNT OF UP TO \$445,000.00 FOR IMPROVEMENTS TO THE JAPANESE TEA GARDEN INCLUDING THE JINGU HOUSE.

2011-04-14-0307

- C. AN ORDINANCE AUTHORIZING THE EXECUTION OF A LICENSE AGREEMENT WITH THE SAN ANTONIO PARKS FOUNDATION FOR THE JINGU HOUSE FOR A TERM OF TEN YEARS COMMENCING THE EARLIER OF JUNE 1, 2011 OR THE COMPLETION OF THE IMPROVEMENTS.

2011-04-14-0308

Item 20. AN ORDINANCE AUTHORIZING AN AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT WITH POPULOUS, INC. IN AN AMOUNT UP TO \$130,000.00 FOR ADDITIONAL SERVICES RELATED TO THE CONVENTION CENTER FACILITIES DEVELOPMENT STUDY; AND AMENDING THE FY 2011 BUDGET TO APPROPRIATE FUNDS FROM THE HOT TAX CAPITAL FACILITIES FUND.

[CONSENT ITEMS CONCLUDED]

ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

The City Clerk read the following Ordinances for Items 7 and 8:

2011-04-14-0294

Item 7. AN ORDINANCE AUTHORIZING THE ISSUANCE OF A \$1,421,584.00 JOB ORDER TO THE SABINAL GROUP FOR THE CAFÉ COLLEGE PHASE II PROJECT, A CERTIFICATES OF OBLIGATION FUNDED PROJECT LOCATED IN COUNCIL DISTRICT 1.

2011-04-14-0295

Item 8. AN ORDINANCE AUTHORIZING A FIVE-YEAR LEASE AGREEMENT WITH SAN ANTONIO EDUCATION PARTNERSHIP (SAEP), FOR USE OF CITY-OWNED REAL ESTATE

LOCATED IN COUNCIL DISTRICT 1 LOCATED AT 131 EL PASO STREET AND 703 URBAN LOOP FOR THE PURPOSES OF OPERATING THE CAFÉ COLLEGE PROGRAM AND PROVIDING OFFICE SPACE FOR SAEP; OF WHICH PORTIONS OF THE BUILDINGS DEDICATED TO CAFÉ COLLEGE PROGRAMS WILL BE LEASED AT THE RATE OF \$1.00 ANNUALLY AND THOSE PORTIONS OF THE 703 URBAN LOOP BUILDING DEDICATED FOR SAEP USE WILL BE LEASED AT THE RATE OF \$3,500.00 PER MONTH COMMENCING UPON COMPLETION BUILDING IMPROVEMENTS TO EACH BUILDING.

Mayor Castro asked of the timeline for Phase II. Mike Frisbie stated that the project was scheduled for completion by the end of August. Mayor Castro expressed his support and thanked the San Antonio Education Partnership for their administration of Café College.

Councilmember Cisneros moved to adopt the Ordinances for Items 7 and 8. Councilmember Cortez seconded the motion.

The motion prevailed by the following vote: **AYES:** Cisneros, Taylor, Ramos, Cortez, Lopez, Rodriguez, Williams, Chan, Clamp, and Mayor Castro. **NAYS:** None. **ABSENT:** Medina.

The City Clerk read the following Ordinance:

2011-04-14-0296

Item 9. AN ORDINANCE ACCEPTING \$5,744,448.00 FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) AND AUTHORIZING CONTRACTS RANGING FROM JUNE 1, 2011 THROUGH DECEMBER 31, 2014 WITH DELEGATE AGENCIES IN A COMBINED AMOUNT UP TO \$5,210,808.00 TO SUPPORT THE CONTINUUM OF CARE HOMELESS ASSISTANCE SUPPORTIVE HOUSING PROGRAM (SHP) FOR THE PROGRAM YEAR 2011; AUTHORIZING THE ASSOCIATED BUDGET AND PERSONNEL COMPLEMENT OF FIVE AUTHORIZED GRANT FUNDED POSITIONS; AUTHORIZING A GRANT MATCH IN AN AMOUNT UP TO \$237,431.00 INCLUDED IN THE FY ADOPTED 2011 DEPARTMENT OF COMMUNITY INITIATIVES GENERAL FUND BUDGET; AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION AND TECHNICAL SUBMISSIONS, TO HUD FOR A GRANT AMOUNT UP TO \$6,158,161.00 FOR THE CONTINUUM OF CARE HOMELESS ASSISTANCE SUPPORTIVE HOUSING PROGRAM (SHP) FOR THE PROGRAM YEAR 2012; AND AUTHORIZING THE SECOND YEAR CONTRACT WITH THE ALAMO AREA RESOURCE CENTER FOR THE PERIOD JANUARY 1, 2012 TO DECEMBER 31, 2012 IN THE AMOUNT OF \$73,193.00 IN SUPPORT OF THE CONTINUUM OF CARE HOMELESS ASSISTANCE SUPPORTIVE HOUSING PROGRAM (SHP) FOR THE PROGRAM YEAR 2010.

Councilmember Ramos asked of the impact due to reduction in Federal Funding and asked if these funds were in addition to the existing funds. Gloria Hurtado stated that the grant funds had already been accepted and that there were no reductions. She added that Housing and Urban Development (HUD) may combine their programs into the Hearth Act and that there could be additional funding available next year.

Councilmember Ramos moved to adopt the proposed Ordinance. Councilmember Cisneros seconded the motion.

The motion prevailed by the following vote: **AYES:** Cisneros, Taylor, Ramos, Cortez, Lopez, Rodriguez, Williams, Chan, Clamp, and Mayor Castro. **NAYS:** None. **ABSENT:** Medina.

The City Clerk read the following Ordinance:

2011-04-14-0300

Item 14. AN ORDINANCE AUTHORIZING AN AGREEMENT WITH SEAWORLD SAN ANTONIO FOR AN IN-KIND DONATION WITH AN ESTIMATED VALUE OF \$120,000.00 TO ANIMAL CARE SERVICES THAT WILL PROVIDE TWO (2) FREE AMUSEMENT PARK TICKETS TO EACH PERSON ADOPTING AN ANIMAL FROM ANIMAL CARE SERVICES FROM APRIL 14, 2011 THROUGH JUNE 15, 2011.

Councilmember Rodriguez asked that said item be highlighted due to the great corporate friend of SeaWorld San Antonio.

Chris Bellows, a representative of SeaWorld San Antonio stated that they are looking forward to helping the city achieve their No-Kill Goal. He noted that this program would provide two free tickets to SeaWorld for each pet adoption and that there were guidelines in place to ensure that individuals were adopting animals for the right reasons. He stated that this was a great program that would bring positive exposure to the Animal Care Services Department.

Councilmember Rodriguez thanked SeaWorld San Antonio for their partnership and recognized Mr. Bellows and his son for planting trees at Nani Falcone Park. Councilmember Lopez also thanked SeaWorld San Antonio for their commitment to the community. Mayor Castro thanked SeaWorld San Antonio for their generous contributions, noting that this was a great way to approach challenges related to animal care.

Councilmember Rodriguez moved to adopt the proposed Ordinance. Councilmember Cisneros seconded the motion.

The motion prevailed by the following vote: **AYES:** Cisneros, Taylor, Ramos, Cortez, Lopez, Rodriguez, Williams, Chan, Clamp, and Mayor Castro. **NAYS:** None. **ABSENT:** Medina.

POINT OF PERSONAL PRIVILEGE

Mayor Castro recognized City Manager Sculley for the President's Award that she received from the Clarity Child Guidance Center for her work in the community to uplift local families.

Item 21. CITY MANAGER'S REPORT

A. FY 2010 EXTERNAL AUDIT UPDATE

Ms. Sculley provided a report of the external audit that ended September 30, 2010, noting that the results were very positive. She stated that the audit was conducted by Grant Thornton and that the audit results were provided to the Audit Committee the previous week. She further stated that copies of the extensive reports had been provided to the City Council and would be made available to the public. She noted that the results reflected strong financial management and demonstrated continued improvement in city systems. She mentioned that the city had received an "Unqualified Opinion" which means a clean

opinion on its financial statement. She added that the timeliness of the audit has continued to improve and was completed in 162 days compared to five years ago when it took over a year. She indicated that two notations were included in the management letter and that staff would continue to improve on grant compliance findings. She reported that staff was recommending approval of the final one-year extension on the contract with Grant Thornton and it would be brought to the City Council for approval on April 21, 2011.

Councilmember Williams recognized Councilmember Cortez for his leadership as Chair of the Audit Committee and city staff for their work in getting the audit completed in a timely manner.

Councilmember Cortez recognized the Consejo Organization for their work on the Fiesta De Los Reyes Event being held at Market Square.

EXECUTIVE SESSION

Mayor Castro recessed the meeting at 10:15 am to convene in Executive Session for the purpose of:

- A. DISCUSS LEGAL ISSUES RELATED TO THE FIRE COLLECTIVE BARGAINING AGREEMENT, PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**

Mayor Castro reconvened the meeting at 10:41 am at which time it was noted that the City Council had been briefed on the above-styled matter but took no action.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 10:41 am.

APPROVED



**JULIÁN CASTRO
MAYOR**

Attest:



LETICIA M. VACEK, TRMC/CMC
City Clerk