

**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, FEBRUARY 6, 2013, AND THURSDAY, FEBRUARY 7, 2013, RESPECTIVELY.

The San Antonio City Council convened in a Work Session at 2:00 pm Wednesday, **February 6, 2013**, Municipal Plaza Building, with the following Councilmembers present: Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **ABSENT:** None.

1. A BRIEFING ON UPDATES TO THE EASTSIDE REINVESTMENT INITIATIVE.

Lori Houston presented an update on the Eastside Reinvestment Initiatives She highlighted mixed use development, housing, corridor development, and public investment. She provided updates on the Red Berry Mansion, Mesa Blanca, Sterling Building, and Good Samaritan Hospital. She reported that housing efforts included Sutton Oaks Phase II, Cherry Modern, MLK Lot Acquisition, and Historic Gardens Improvements. Within Corridor Development, she indicated that the Iowa Street Reinvestment Strategy includes \$650,000 for improvements to Pittman Sullivan Park. She added that \$51.4 million in public investments were included in the 2012 Bond Program for Eastside Improvements for streets, drainage, parks, libraries, and public safety facilities. She highlighted the Robert Thompson Transit Center, Ellis Alley Rehabilitation and University of the Incarnate Word (UIW) Eye Clinic Projects. She added that the 3rd Annual Meeting on Eastside Initiatives would be held at Wheatley Middle School on February 16, 2013 at 8:30 am.

2. A BRIEFING ON SAN ANTONIO FOR GROWTH ON THE EASTSIDE'S (SAGE) CONTINUOUS ECONOMIC DEVELOPMENT EFFORTS AND STOREFRONT GRANT PROGRAM.

Jackie Gorman, Executive Director of San Antonio for Growth on the Eastside (SAGE) introduced Leo Gomez, SAGE Board Chair. Mr. Gomez thanked the City Council for their investment and support of SAGE. He recognized the SAGE Board of Directors and thanked them for their service. Ms. Gorman stated that SAGE was a growth engine for the Eastside and helped businesses grow through partnerships, alliances and leveraging resources. She reported that their program focused on Advocacy, Facilitation, Stabilization, and Coalition Building. She noted that they utilized a three-pronged approach on revitalization efforts: 1) Economic Development; 2) Education; and 3) Housing. She highlighted the SAGE Store-Front Grant Program that offered matching grants of up to \$20,000 to businesses in the SAGE Service Area. She provided examples of Active Store-Front Grant recipients that include Comfort Inn & Suites, Splashtown, and Golden Arch and noted that over \$500,000 in grants had been awarded since 2010. She reported that SAGE had received funding from the City of San Antonio since FY 2009 that totaled \$600,000 for Financial Assistance Programs and \$269,000 for Operations. Mr. Gomez concluded that they would continue to work on funding for the Store-Front Grant Program and would like to concentrate efforts within a selected corridor. He mentioned that housing and healthy neighborhoods were needed in order for businesses to succeed.

3. AN UPDATE ON THE EASTSIDE PROMISE NEIGHBORHOOD.

Toni Van Buren with the United Way presented on the Eastside Promise Neighborhood and spoke of the great partnerships that have helped them be successful. She noted that it was a pilot project that could be replicated throughout the city and to improve the quality of life of San Antonio. She introduced Tony Leverett, Director of Operations of the Eastside Promise Neighborhood. Mr. Leverett stated that the Eastside Promise Neighborhood was a program that focused on Education and highlighted the 10 Promises of the Program. He spoke of the partnerships with the City of San Antonio, San Antonio Independent School District, and San Antonio Housing Authority/Choice Program. He reported successes thus far within Early Childhood, City Year at three Eastside Promise Neighborhood Campuses, and increased Parent Engagement. He mentioned the Midnight Basketball Program provided in partnership with the San Antonio Police Department (SAPD), YMCA, and San Antonio Spurs. He indicated that a \$300,000 grant was received for hot spot policing for safe school corridors.

Mr. Leverett provided an overview of the Shared Data System called Community Viewer, which will collect data among entities to better target student improvement strategies. He explained that Community Viewer links school and community data to help assess student progress and provide community intervention. He spoke of their work to decrease chronic absenteeism and highlighted the successes at Wheatley Middle School. He stated that they would evaluate the program and spoke of the Financial Empowerment Centers and Adult Education & Career Pipeline that would assist parents. Ms. Van Buren recognized the great partnership with Family Service Association.

4. A BRIEFING REGARDING THE CITY OF SAN ANTONIO'S COMMITMENT AND ROLE IN THE IMPLEMENTATION OF THE WHEATLEY CHOICE NEIGHBORHOOD TRANSFORMATION PLAN.

Lourdes Castro Ramirez of the San Antonio Housing Authority (SAHA) presented a video highlighting the Wheatley Choice Neighborhood. She stated that the Wheatley Choice Neighborhood was funded through a \$250,000 Planning Grant and \$29.7 million Implementation Grant from the Department of Housing and Urban Development (HUD). She thanked the City Council and specifically, Councilmember Taylor, for their support and leadership. She acknowledged Ramiro Cavazos, SAHA Board Chair and thanked all of the Board for their service. She outlined the three Core Goals of the program that include supporting positive outcomes for families who live in the target development and surrounding neighborhood. She spoke of the transformation of distressed public and assisted housing into energy-efficient, mixed-income housing. She added that they further hoped to transform the neighborhood of poverty into a viable neighborhood with access to well-functioning services and jobs. She highlighted the study area and demographics, to include population and economic indicators.

Ms. Ramirez outlined the Transformation Plan Focus of Investments in which they would provide comprehensive case management services for Wheatley Court Residents. Additionally, she stated that they would expand job readiness opportunities and improve employment opportunities. She reported that they would redevelop the Wheatley Area by transforming existing public housing into a 305-unit, high quality, mixed-income community. She noted that they would collaborate with residents, SAPD, and local businesses to create a safe community. She mentioned that they would increase walkability through the creation of a pedestrian-oriented neighborhood and improve community amenities. She indicated that they would leverage all existing investments in the Eastside Community to include educational initiatives of the Eastside Promise Neighborhood and transportation improvements

facilitated by VIA Metropolitan. She presented a six-month implementation plan that would require deploying key activities and continuous engagement of residents and partners.

Mayor Castro thanked everyone for the presentation. He stated that he was pleased with the many resources and collaboration on Eastside Initiatives. He spoke of the importance of improving the quality of life and academic achievement on the Eastside. He asked of the responsibility for metrics. Ms. Van Buren replied that the Department of Education had specific measures that were required to be submitted. She noted that they would be providing their first report at the end of this month. She mentioned that the Shared Data System would also provide metrics. Ms. Ramirez added that HUD also required specific metrics that SAHA would be responsible for. Mayor Castro asked to what extent health and wellness was being included in efforts. Ms. Van Buren replied that one of their promises was related to health and that every child at Tynan Early Childhood Center has a medical home. She indicated that parents must enroll in an appropriate program and provide for regular doctor visits. Ms. Ramirez added that the Choice Grant required them to look at health indicators and they were working with Metro Health to develop an effective approach. Ms. Gorman noted that SAGE was trying to recruit medical professionals to the Eastside to provide access to the community.

Councilmember Taylor thanked everyone for their work and commended Mayor Castro and the City Council for their support of Eastside Initiatives. She recognized two neighborhood leaders, Mrs. Emerson and Mr. Arellano for their great work in the community and spoke of the great partnership with Trinity University. She stated that this was a once in a lifetime opportunity for Wheatley and that it was important to transform outcomes for generations to come. She expressed concern with the great number of vacant properties and noted that it was a public safety issue. She spoke of the leveraging of funds and the need to make investments for the future. She added that she looked forward to feedback and was pleased with the great energy already generated.

Councilmember Saldaña asked of the hiring of individuals related to the Federally Funded Programs and when reports were due. Ms. Ramirez replied that they were required to advance Section 3 Goals to ensure that they were hiring local residents. She stated that they must ensure that there is a minority contracting/diversity plan in place. She noted that they were in the beginning stages of CHOICE and would be required to report on a monthly basis. Councilmember Saldaña asked of the Promise Grant. Mr. Leverett replied that they were under continuous communication with the Department of Education who provided technical assistance. Ms. Van Buren stated that we were ahead of other sites in terms of performance and were awarded \$23.7 million over five years. Councilmember Saldaña spoke of the great work of SAGE and stated that he would like to replicate successful efforts on the Southside.

Councilmember Williams stated that he was pleased with efforts and results thus far on Eastside Initiatives. He referenced the Red Berry Mansion Project and noted that the city could not drive up the price for good development.

Councilmember Bernal stated that he was pleased with the efforts on the Eastside and that they should memorialize models that could be replicated. Ms. Ramirez responded that it was a smart investment for all to be at the table together and work on similar timelines. She spoke of the importance of leveraging funds to have a greater impact.

Councilmember Chan thanked everyone involved for their efforts. She spoke of the efforts of delegate agencies and asked how to leverage funds with them. Gloria Hurtado replied that they were partnering with delegate agencies and had leveraged funds for the Eastside Promise Grant. She spoke of various

programs offered on the Eastside and highlighted the funds provided to SAISD for the After School Program. She noted that they were able to work with United Way to extend their services. She added that they were on the Advisory Committee and aligning efforts with the delegate agencies.

Councilmember Ozuna thanked everyone for their efforts and commended Councilmember Taylor for her leadership. She stated that it was important to foster community partnerships and that this was the first chapter of a really great story.

Mayor Castro thanked everyone for the presentations.

EXECUTIVE SESSION

The Executive Session portion of the meeting was not conducted.

- A. 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).**
- B. 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).**
- C. DISCUSS LEGAL ISSUES RELATED TO *CITY OF SAN ANTONIO V. HOTELS.COM, L.P., ET AL* IN THE UNITED STATES DISTRICT COURT, WESTERN DISTRICT OF TEXAS, SAN ANTONIO DIVISION, CASE NO. SA06CA0381 OG, PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**

RECESSED

Mayor Castro recessed the meeting at 4:17 pm and announced that the meeting would resume at 5:15 pm for Ceremonials.

RECONVENED

Mayor Castro reconvened the meeting at 5:15 pm and addressed the Ceremonial Items.

CEREMONIALS

Mayor Castro presented a Proclamation in recognition of the start of the Chinese New Year on February 10, 2013. It was noted that unlike western calendars, the Lunar Chinese New Year falls on the second new moon after the winter solstice. It was also noted that the Chinese New Year is the longest and most important of the traditional Chinese Holidays and influences its geographic neighbors, as well as cultures with whom the Chinese have extensive interaction.

Mayor Castro presented a Proclamation in recognition of the 64th Annual San Antonio Stock Show & Rodeo that will be held February 7-24, 2013, at the Freeman Coliseum/AT&T Center. It was noted that the San Antonio Livestock Exhibition, Inc. sponsors the event and provides scholarships, grants,

endowments and other financial assistance to Texas Youth in Agriculture Programs. In addition to the rodeo, fan favorite events include the Calf Scramble, Mutton Bustin, Xtreme Bull, Steer Wrestling, Nightly Concerts and Carnival.

Mayor Castro presented a Proclamation in recognition of Black/African American Heritage Month which is celebrated around the world during the month of February to honor the history, accomplishments and contributions of Black/African Americans. It was noted that during the observance, many events and activities will be held at public libraries, universities, military bases and places of worship to reflect on the struggle for racial justice.

CITIZENS TO BE HEARD

Mayor Castro called upon the individuals registered to speak.

Nazirite Ruben Flores Perez stated that he had been drafted by the Army and had helped the Air Force Olympic Team. He referenced Love and Kindness in The Bible and expressed concern with the seven-headed dragon. He noted that he had worked in the Building Maintenance Division at Stinson Airport and that city workers were concerned with moving to the facility at Las Moras.

Patsy Cheyney stated that she was representing a non-profit organization called Home Comfort, Inc. and was requesting City Council support of House Bill 868. She noted that they work with severely, mentally ill individuals and expressed concern that many will end up at Haven for Hope without the appropriate assistance.

Anthony Rogers stated that his granddaughter was a member of the Parks and Recreation Dance Team and had been participating in the program for 10 years. He noted that the program was very successful and had greatly contributed to his granddaughter's growth. He thanked the City Council for their work and support of said program.

Nita Shaver stated that she was trying to be helpful and not critical but expressed concerns with Main Plaza. She commended the employees that work at Main Plaza but mentioned concerns with the irrigation system, lack of lighting, and fountains that are rarely in working order.

Betty Eckert stated that she was representing Seniors in San Antonio and expressed concern with the SAWS rate increase that would be voted on the following day. She asked how Seniors would be able to survive due to increased costs for services and cuts to the Senior Nutrition Program. She requested that SAWS reduce their overhead and reconsider the rate increase.

Faris Hodge, Jr. submitted written testimony commending the Office of the City Clerk for hosting Passport Day on Saturday, March 9, 2013. He wrote of the San Antonio B-Cycle Program which celebrated its first anniversary. He provided an article entitled, "Perry vows to fight gay unions" and expressed concern that the train in Brackenridge Park is too small for adults to ride. He wrote that residents opposed increased CPS Energy Bills and referenced the construction occurring along Hildebrand at Broadway. He wrote in opposition to toll roads and noted the issues with DWI in San Antonio. He requested that all city vans and buses be ADA Compliant and that the lights and carpet in the Central Library be replaced.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 6:20 pm.

The San Antonio City Council convened in a Regular Meeting on Thursday, **February 7, 2013**, at 9:00 am in the City Council Chambers.

ROLL CALL

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

Item 1. The Invocation was delivered by President Adam Noe Gonzalez, San Antonio Stake, The Church of Jesus Christ of Latter-Day Saints, guest of Mayor Julián Castro.

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

Item 3. MINUTES

Councilmember Saldaña moved to approve the Minutes for the January 9-10, 2013 City Council Meetings. Councilmember Bernal seconded the motion.

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

ITEMS FOR INDIVIDUAL CONSIDERATION

The City Clerk read the caption for Items 4A and 4B:

Item 4. CONSIDERATION THE FOLLOWING ITEMS RELATED TO THE SAN ANTONIO WATER SYSTEM:

2013-02-07-0081

- A. AN ORDINANCE APPROVING ADJUSTMENTS TO THE SAN ANTONIO WATER SYSTEM'S WATER SUPPLY AND WASTEWATER RATES RESPECTIVELY, WHICH COLLECTIVELY EQUATE TO AN OVERALL SYSTEM WIDE INCREASE OF 8.4%.

2013-02-07-0082

- B. AN ORDINANCE APPROVING ADJUSTMENTS TO THE CURRENT DROUGHT MANAGEMENT ORDINANCE.

Ben Gorzell presented a Power Point stating that the San Antonio Water System (SAWS) was proposing a rate adjustment of 8.4% system wide. He noted that the rate would be implemented on March 1, 2013 and was estimated to generate \$22.6 million in additional revenue. He reported that on December 4, 2012, the SAWS Board had approved a Resolution requesting City Council Authorization to amend the Drought Management Ordinance. He mentioned that on January 22, 2013, the SAWS Board approved a

Resolution requesting City Council Authorization for an 8.4% overall system-wide rate adjustment. He stated that briefings with the City Council were held on November 14th, December 6th, and December 12th and that staff had provided responses to questions and requested information to the City Council. He indicated that Public Utilities Staff had performed a comprehensive review of the economic model, key financial targets, and revenue requirements.

Mr. Gorzell stated that city staff recommended an 8.4% Overall System-Wide Rate Increase and concurs with the proposed updates to the Drought Management Plan. He further recommended that they redirect a position to a Formal Efficiency Function that focuses on identifying efficiencies. He noted that they would also develop a plan and begin efficiency reviews in areas such as: Public Affairs Department, Engineering Department, and Customer Service Department. He mentioned that they would comprehensively evaluate Pension, Health, and other benefits. He indicated that they would implement accountability procedures for the Sanitary Sewer Overflow (SSO) Program to include establishing a cost center to track associated costs and activities, as well as provide quarterly written progress reports to the City Council.

Berto Guerra, SAWS Board Chairman addressed the City Council and thanked them for the opportunity to serve on the SAWS Board. He spoke of their recent successes including the settlement of the LCRA Lawsuit and the consolidation of BexarMet. He mentioned that SAWS was a leader in conservation efforts and would continue working to identify areas of efficiency.

Robert Puente, President/CEO of the SAWS Board presented to the City Council and stated that SAWS had increased their water supply by 39% since 2004. He spoke of their successes in storing water even during drought through the Aquifer Storage and Recovery Program. He reported that through the Historic Regional Water Partnership with Schertz-Seguin, they were saving ratepayers over \$88 million. He highlighted successful innovation projects including the Brackish Groundwater Desalination Project. He mentioned that SAWS had the second lowest bill in Texas, second only to the City of El Paso.

Mr. Puente spoke of SAWS System Challenges, noting the regulatory constraints and higher costs to procuring a diverse water supply. He stated that there was a great need to maintain and replace aging or degraded infrastructure. He noted that the reduction of SSOs was critical in order to comply with the Clean Water Act. He provided an overview of the Sewer Spill Reduction Program, in which they would work to clean the right pipe at the right time. He indicated that they would televise and inspect after cleaning, as well as repair and rehabilitate infrastructure. He presented a chart depicting the Annual SSOs per 100 Miles in which SAWS was slightly above the Environmental Protection Agency (EPA) Average Performance. He outlined the Wastewater Capital Budget, noting that a significant increase in investment would be made in 2013. He provided an overview of the Brackish Desalination Plant, noting that it was the largest plant of its kind in the US. He reported that they would make a \$98 million capital investment for the project in 2013 and that the first phase would be on-line in 2016.

Mr. Puente presented that the average monthly residential bill would increase by \$3.88. He provided a five-year projection of the monthly residential bill which was projected to increase annually at percentages ranging from 6.0% to 13.5%. He reported that the Affordability Program Funding would be increased by 20% to assist ratepayers and that they would outreach to new targets such as local school districts and block walks. He stated that they had worked in coordination with the City's Public Utilities Office to reduce the rate increase to 8.4% and held over 80 community outreach meetings. He highlighted efficiency measures, noting that they had 67% more customers with 0% more water in the

last 25 years. He spoke of the additional efficiency measures being taking that include benchmarking performance and staffing levels, as well as continuing to review benefit and pension plans.

Mayor Castro thanked everyone for the presentation and called upon the individuals registered to speak.

Bob Martin of the Homeowner Taxpayer Association spoke in opposition to the rate increase and commended Councilmember Soules for his findings. He stated that SAWS needed to identify more cost-cutting measures and requested an operational audit.

Former Councilmember Lourdes Galvan requested that the City Council continue Item 4. She stated that she understood the need to address infrastructure and drought management issues but was concerned with the impact to Seniors and Disabled Individuals. She noted that although additional funds would be provided through the Affordability Program, many Seniors went without instead of calling for assistance. She asked that SAWS consider exempting Seniors and Disabled from rate increases.

Richard Perez, Former Councilmember and President of the Greater San Antonio Chamber of Commerce spoke in support of the rate increase and updates to the Drought Management Plan. He stated that it was important to address essential infrastructure needs and to invest in water and sewer infrastructure. He noted that they understood the challenge of increasing costs to businesses and residents but believed the burden was necessary when weighing long-term costs for failure to address. He recommended that the City Council undertake an aggressive analysis of internal cost-saving measures; develop a multi-year rate adjustment strategy; develop a new wastewater maintenance fee; develop a community education program regarding SSOs; and develop a bold plan to secure Non-Edwards Water Supplies.

Ramiro Cavazos, President and CEO of the San Antonio Hispanic Chamber of Commerce stated that their organization represents 40,000 minority, small, local, and women-owned businesses in the community. He spoke in support of the rate increase noting that it would fund efforts to clean the water supply and reduce SSOs throughout the city. He noted that economic development required good water, energy, education, leadership and transportation and thanked the SAWS Board for their great work.

Kevin Connor of the North San Antonio Chamber of Commerce stated that they had closely studied the proposal and the Board unanimously voted in support of the 8.4% rate increase. He noted that their support for subsequent increases was conditional and based on a demonstrated reduction in SSOs. He added that SAWS should continue transparency and communicate financial requirements for future years.

Nikki Kuhns spoke in opposition to the SAWS Rate Increase. She stated that she believed they should sell the building off Hwy 281 and relocate elsewhere. She noted an item on the SAWS Agenda the following day that would approve \$1.1 million for fluoride and expressed concern with the harmful effects of fluoride.

Nazirite Ruben Flores Perez stated that he understood that water issues had to be addressed but expressed concern with synthetic fluoride. He asked the City Council to make a good decision.

Betty Eckert expressed concern with the impact of the rate increase on Seniors. She stated that she did not believe that the Affordability Program worked well and that many Seniors did not have

transportation. She asked that Executive Salaries be reduced and noted that she did not believe they should be housed in their current facility.

Pat Winters stated that he was speaking on behalf of his 83-year-old, handicapped mother who lives on a fixed income. He expressed concern with the impact of the rate increase and noted that SAWS had greatly increased rates over the past seven years. He stated that funds had been invested to address sewer challenges but had little results. He added that water meters were not being read appropriately.

Anna Lisa Peace of the Greater Edwards Aquifer Alliance (GEAA) stated that they were supportive of the rate increase to address and maintain sewage infrastructure. She noted that the GEAA and Sierra Club had participated in the process to make recommendations on the Drought Management Ordinance and recommended approval as presented.

Jack M. Finger addressed the City Council in opposition to the rate increase. He referenced an article in the Express-News in which SAWS could not account for 15% of its water and stated that he was opposed to the Affordability Programs.

Amy Hardberger stated that she was a water advocate and in support of the Drought Management Ordinance as presented. She noted that the process to revise said Ordinance was lengthy and involved numerous community stakeholders.

Mayor Castro thanked staff for the presentation. He asked of the decrease in the rate increase to 8.4%. Mr. Gorzell replied that Public Utilities Staff had worked with SAWS Staff and updated their financial model based on greater revenues for calendar year 2012 and increased customer growth. He noted that on the debt side, they would issue variable rate debt to decrease their borrowing costs. He mentioned that there were various other line items such as delaying fleet replacement that contributed to a decreased rate increase. Mayor Castro asked of the performance of other utilities. Mr. Puente replied that the City of Austin had recently implemented a second rate increase since the last time SAWS was before the City Council. He reported that the City of Houston automatically increased their rates in relation to the Consumer Price Index without approval from the City Council. Mayor Castro asked how SAWS would increase transparency and effectiveness. Mr. Puente responded that they would initiate a consent decree with the EPA once issues were settled which would include reporting requirements to document progress. He stated that they would also perform operational audits and continue to implement general efficiency measures. Mayor Castro recommended that they report progress regarding SSOs as well as other operational issues to the City Council on a regular basis. He asked how SAWS would assist individuals on fixed incomes. Mr. Puente stated that they had added funds to the Affordability Program and would implement additional outreach measures such as block walking. Mayor Castro spoke of the importance of proactively identifying the most destitute population and assisting them proactively. He added that he believed it was important to invest in the water system and would support the rate increase.

Councilmember Williams recognized Mr. Guerra and SAWS Board Members for their work. He stated that he understood that a portion of the rate increase was necessary for the Brackish Desalination Project and the other portion was related to addressing SSOs. He stated that he lacked confidence that the funds would be spent efficiently and effectively; however, he noted that the SAWS Board was responsible for the governance of SAWS. He noted that SAWS had a plan of action and that he would support the rate increase.

Councilmember Williams moved to adopt the proposed Ordinances for Items 4A and 4B as presented. Councilmember Lopez seconded the motion.

Councilmember Lopez commended SAWS for their work and stated that he was pleased that the rate increase had been reduced to 8.4%. He noted that he was in favor of identifying efficiencies but wanted assurance that the Public Affairs Department would be able to continue their work and enhance outreach efforts to the community. Mr. Puente replied that the Public Affairs Department would continue to communicate with the public and help them feel confident that SAWS is fulfilling their mission.

Councilmember C. Medina stated that even though no one liked rate increases, he believed this one was necessary to continue to secure the city's economic future. He challenged SAWS to be a leader in conservation measures in an effort to achieve greater savings.

Councilmember Soules stated that he understood issues with the sewer system and the need to secure more water; however, he disagreed with the amount of rate increase that was being requested. He noted that SAWS had not addressed the issues with SSOs and that it fell on the City Council to make a decision on the rates. He asked of the \$255 million figure that SAWS had stated in 2010 that would be needed to address SSOs. Mr. Puente replied that at that time; they believed that \$255 million would address the issues. Councilmember Soules expressed concern that line cleaning was not aggressively performed as planned. He asked of the \$8 million in cuts as stated by Greg Flores of SAWS. Mr. Puente replied that they had identified \$8 million in savings and reductions to reduce the rate increase. Councilmember Soules stated that he had been studying SAWS for a year-and-a-half and believed there were other areas that could be trimmed.

Councilmember Soules moved to approve a rate increase of 6.4%. Councilmember Chan seconded the motion.

Councilmember Saldaña stated that a number of residents in his district were former BexarMet Customers and asked of their water supply fee. Mr. Puente replied that when they transitioned to SAWS, they had frozen their rates. He stated that the additional water supply would serve future growth. He added that they could serve them with better management practices and that the need for future water was not necessarily for current BexarMet Customers but for the high growth area that encompasses those customers. Councilmember Saldaña asked how SSOs were being addressed. Mr. Puente replied that they were cleaning the pipes to remove grease and debris and educating the community. Councilmember Saldaña stated that he did not believe the responsibility to address issues should be deferred to future Councils and residents.

Councilmember Ozuna thanked SAWS and commended the SAWS Board for their work. She stated that everyone can agree that there is a problem but there is a plan to move forward. She noted that she was pleased that the rate increase had been reduced and that there was a commitment to reduce SSOs. She stated that she would look to the SAWS Board to provide oversight and ensure early intervention. She asked of the time that had been spent on said issue. Mr. Puente replied that they had presented to the City Council numerous times, as well as held 80 community meetings. Councilmember Ozuna asked of the difference between water supply and wastewater fees. Mr. Puente replied that they were two separate operations and that the largest part of the rate increase was to address SSOs. Councilmember Ozuna asked of the Affordability Program. Mr. Puente responded that they had allocated \$2.1 million for the Affordability Program and have other programs that residents can utilize.

Councilmember Chan commended Mr. Guerra for his leadership on the SAWS Board. She expressed concern that SAWS had not addressed SSO Issues in the past and asked of the increase related to the water supply. Mr. Gorzell replied that 0.5% of the increase was allocated for the water supply and the majority would be used to continue the Brackish Desalination Project. Councilmember Chan stated that it was important for SAWS to aggressively secure additional water resources and asked if the increase would be utilized to increase the funding for SAWS Impact Fee Waivers. Mr. Gorzell replied that the SAWS Impact Fee Waivers would not be affected by the rate increase. He explained that the Impact Fee Waivers were funded from the R&R Fund and that \$16 million would still be allocated over the next eight years. Councilmember Chan commended Councilmember Soules for researching the figures and wanting to decrease the impact to ratepayers. She stated that the motion to reduce the amount of the rate increase to 6.4% did not deduct any funds allocated to address the water supply or SSOs.

RECESSED

Mayor Castro recessed the meeting at 11:45 am to break for lunch and stated that the Council would reconvene at 1:45 pm.

RECONVENED

Mayor Castro reconvened the meeting at 1:45 pm and continued the discussion of Items 4A and 4B.

Councilmember Bernal expressed concern with the individuals that are on a fixed income and will not be able to afford the rate increase. He asked of the Affordability Program. Mr. Puente stated that assistance would be provided consistently for those that qualified. Councilmember Bernal stated that the real measure of the effectiveness of the program would be the enrollment. He stated that he was not convinced that it would be enough and would like to see SAWS identify additional efficiencies. He noted that he agreed that the issues could not be deferred anymore and would like to see SAWS be more accountable.

Councilmember Taylor stated that she was in support of the original motion for the 8.4% increase. She urged the SAWS Leadership to pursue reforms to achieve efficiencies and reduce future rate increases. She added that SAWS should work to earn greater trust and confidence from the City Council and the entire community.

Councilmember Soules stated that he wanted to be clear that he was in support of fixing the sewer system immediately. He noted that he would like to see reductions to the proposed increase in Public Relations Staff and other areas that were not related to deferring sewer-related issues.

Councilmember D. Medina thanked everyone that worked on the issue and stated that he looked forward to the block walks and other community outreach that SAWS would perform. He noted that regardless of the outcome today, he would like to see continued outreach efforts to the community.

The motion by Councilmember Soules moved to approve a 6.4% rate increase and seconded by Councilmember Chan was voted on first.

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

The motion by Councilmember Williams to adopt the Ordinance as presented by staff and seconded by Councilmember Lopez was voted on next.

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

Mayor Castro addressed the Zoning Items at this time.

CONSENT ZONING ITEMS

John Jacks announced that the Zoning Commission had recommended approval of Items Z-4 and Z-5 at their meeting on February 5, 2013.

Councilmember Saldaña moved to approve the following Zoning Items: Z-1, Z-2, Z-3, Z-4, P-1, Z-5 and Z-6 under Consent Zoning. Councilmember Bernal seconded the motion.

Mayor Castro called upon the individuals registered to speak.

Jack M. Finger spoke in opposition to the Neighborhood Commercial Zoning in Item Z-1 and stated that one or two individuals had spoken in opposition at the Zoning Commission Meeting due to increased traffic. He noted that the Olmos Park Neighborhood Association was also opposed. He expressed concern with Item Z-7 which was located over the Recharge Zone and had an impervious cover of 50%.

William Lambert stated that the Olmos Park Terrace Homeowner's Association had approved Item Z-1.

Betty Eckert stated that they were pleased to have a business in the neighborhood but were concerned with parking. She noted the potential of bringing the business in from San Pedro Street instead of the interior of the neighborhood.

James Allan Boldt stated that neither the Neighborhood Association nor Eastern Triangle was made aware of Item Z-3 until three days ago and that it may be good idea to continue said item. He expressed support for Items P-1 and Z-5 but noted concerns with the notification process for all zoning cases.

Faris Hodge, Jr. wrote in favor of Zoning Items Z-1 through Z-7.

Letters of support for Item Z-6 were received from the following: Jessica Benavidez, Hill Country Homeowners Association Management representing Woodthorn and Regency Meadows; Grady Whitlock; Hollis Sundberg; and Ken Wong, President of the Bella Sera Neighborhood Association.

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

2013-02-07-0099

Item Z-1. **ZONING CASE # Z2012183 (District 1):** An Ordinance amending the Zoning District Boundary from "H MF-33 AHOD" Multi-Family Olmos Park Terrace Historic Airport Hazard Overlay District to "H NC AHOD" Neighborhood Commercial Olmos Park Terrace Historic Airport Hazard

Overlay District on Lots 105, 106 and the east 20.5 feet of Lot 107, Block 2, NCB 9004 located at 297 Lovera Boulevard. Staff and Zoning Commission recommend approval. (Continued from January 17, 2013)

AMENDING CHAPTER 35 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS: LOTS 105, 106 AND THE EAST 20.5 FEET OF LOT 107, BLOCK 2, NCB 9004 TO WIT: FROM "H MF-33 AHOD" MULTI-FAMILY OLMOS PARK TERRACE HISTORIC AIRPORT HAZARD OVERLAY DISTRICT TO "H NC AHOD" NEIGHBORHOOD COMMERCIAL OLMOS PARK TERRACE HISTORIC AIRPORT HAZARD OVERLAY DISTRICT.

2013-02-07-0100

Item Z-2. **ZONING CASE # Z2013005 (District 2):** An Ordinance amending the Zoning District Boundary from "I-1 RIO-2 AHOD" General Industrial River Improvement Overlay-2 Airport Hazard Overlay District to "IDZ RIO-2 AHOD" Infill Development Zone River Improvement Overlay-2 Airport Hazard Overlay District with uses permitted in "C-2" Commercial District and a Bar/Tavern without cover charge 3 or more days per week on Lots 6, 7, 8 and 9, Block 18, NCB 964 located at 1603 and 1611 Broadway. Staff and Zoning Commission recommend approval.

AMENDING CHAPTER 35 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS: LOTS 6, 7, 8 AND 9, BLOCK 18, NCB 964 TO WIT: FROM "I-1 RIO-2 AHOD" GENERAL INDUSTRIAL RIVER IMPROVEMENT OVERLAY AIRPORT HAZARD OVERLAY DISTRICT TO "IDZ RIO-2 AHOD" INFILL DEVELOPMENT ZONE RIVER IMPROVEMENT OVERLAY AIRPORT HAZARD OVERLAY DISTRICT WITH USES PERMITTED IN "C-2" COMMERCIAL DISTRICT AND A BAR/TAVERN WITHOUT COVER CHARGE 3 OR MORE DAYS PER WEEK.

2013-02-07-0101

Item Z-3. **ZONING CASE # Z2013036 (District 2):** An Ordinance amending the Zoning District Boundary from "RM-4" Residential Mixed District to "C-2" Commercial District on Lots 10 and 11, Block 2, NCB 12892 located on a portion of 4734 Rigsby Avenue. Staff and Zoning Commission recommend approval.

AMENDING CHAPTER 35 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS: LOTS 10 AND 11, BLOCK 2, NCB 12892 TO WIT: FROM "RM-4" RESIDENTIAL MIXED DISTRICT TO "C-2" COMMERCIAL DISTRICT.

2013-02-07-0102

Item Z-4. **ZONING CASE # Z2013060 (District 2):** An Ordinance amending the Zoning District Boundary from "I-1 RIO-2 AHOD" General Industrial River Improvement Overlay-2 Airport Hazard Overlay District to "C-2 IDZ RIO-2 AHOD" Commercial Infill Development Zone River Improvement

Overlay-2 Airport Hazard Overlay District on Lot 18, Block 11, NCB 1765 located at 1702 Broadway. Staff recommends approval. Zoning Commission recommendation pending the February 5, 2013 public hearing.

AMENDING CHAPTER 35 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS: LOT 18, BLOCK 11, NCB 1765 TO WIT: FROM "I-1 RIO-2 AHOD" GENERAL INDUSTRIAL RIVER IMPROVEMENT OVERLAY AIRPORT HAZARD OVERLAY DISTRICT TO "C-2" COMMERCIAL DISTRICT WITH "IDZ RIO-2 AHOD" INFILL DEVELOPMENT ZONE RIVER IMPROVEMENT OVERLAY AIRPORT HAZARD OVERLAY DISTRICT.

2013-02-07-0103

Item P-1. **PLAN AMENDMENT #13015 (District 2):** AN ORDINANCE AMENDING THE FUTURE LAND USE PLAN CONTAINED IN THE EASTERN TRIANGLE COMMUNITY PLAN, A COMPONENT OF THE COMPREHENSIVE MASTER PLAN OF THE CITY, BY CHANGING THE USE OF APPROXIMATELY 0.034 ACRES OF LAND AT 4518 LORD ROAD FROM PUBLIC INSTITUTIONAL TO HIGH DENSITY MIXED USE. STAFF AND PLANNING COMMISSION RECOMMEND APPROVAL. (ASSOCIATED ZONING CASE: #Z2013049)

2013-02-07-0104

Item Z-5. **ZONING CASE # Z2013049 (District 2):** An Ordinance amending the Zoning District Boundary from "R-5" Residential Single-Family District to "C-2" Commercial District on 1.672 acres out of NCB 10753 located at 4518 Lord Road and 1122 South W.W. White Road. Staff recommends approval. Zoning Commission recommendation pending the February 5, 2013 public hearing. (Associated Plan Amendment Case #13015)

AMENDING CHAPTER 35 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS: 1.672 ACRES OUT OF NCB 10753 TO WIT: FROM "R-5" RESIDENTIAL SINGLE-FAMILY DISTRICT TO "C-2" COMMERCIAL DISTRICT.

2013-02-07-0105

Item Z-6. **ZONING CASE # Z2013047 (District 8):** An Ordinance amending the Zoning District Boundary from "R-5 MLOD-1" Residential Single-Family Camp Bullis Military Lighting Overlay District, "R-5" Residential Single-Family District, "MF-25" Low Density Multi-Family District, and "C-2" Commercial District to "R-5" Residential Single-Family District, "MF-18" Limited Density Multi-Family District, and "MF-18 MLOD-1" Limited Density Multi-Family Camp Bullis Military Lighting Overlay District on 68.022 acres out of NCB 14861 located on a portion of the 6700 Block of Babcock Road. Staff and Zoning Commission recommend approval.

AMENDING CHAPTER 35 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS: 68.022

ACRES OUT OF NCB 14861 TO WIT: FROM "R-5 MLOD-1" RESIDENTIAL SINGLE-FAMILY CAMP BULLIS MILITARY LIGHTING OVERLAY DISTRICT, "R-5" RESIDENTIAL SINGLE-FAMILY DISTRICT, "MF-25" LOW DENSITY MULTI-FAMILY DISTRICT, AND "C-2" COMMERCIAL DISTRICT TO "R-5" RESIDENTIAL SINGLE-FAMILY DISTRICT, "MF-18" LIMITED DENSITY MULTI-FAMILY DISTRICT, AND "MF-18 MLOD-1" LIMITED DENSITY MULTI-FAMILY CAMP BULLIS MILITARY LIGHTING OVERLAY DISTRICT.

[CONSENT ZONING CONCLUDED]

ZONING ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

2013-02-07-0106

Item Z-7. **ZONING CASE # Z2012214 ERZD (District 8):** An Ordinance amending the Zoning District Boundary from "MF-18 MLOD-1 AHOD ERZD" Limited Density Multi-Family Camp Bullis Military Lighting Overlay Airport Hazard Overlay Edwards Recharge Zone District to "C-2 MLOD-1 AHOD ERZD" Commercial Camp Bullis Military Lighting Overlay Airport Hazard Overlay Edwards Recharge Zone District on 6.366 acres out of NCB 17700 located northwest of the intersection of Northwest Military Highway and Loop 1604. Staff and Zoning Commission recommend approval.

AMENDING CHAPTER 35 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS: 6.366 ACRES OUT OF NCB 17700 TO WIT: FROM "MF-18 MLOD-1 AHOD ERZD" LIMITED DENSITY MULTI-FAMILY CAMP BULLIS MILITARY LIGHTING OVERLAY AIRPORT HAZARD OVERLAY EDWARDS RECHARGE ZONE DISTRICT TO "C-2 MLOD-1 AHOD ERZD" COMMERCIAL CAMP BULLIS MILITARY LIGHTING OVERLAY AIRPORT HAZARD OVERLAY EDWARDS RECHARGE ZONE DISTRICT.

John Jacks presented Item Z-7 and stated that staff and the Zoning Commission recommended approval with a maximum impervious cover of 50% as recommended by SAWS. He reported that the one notice mailed was returned in favor. Councilmember Williams stated that the case had been presented in October and the MF-18 Area would be designated at 50% impervious cover. He noted that it would be less than the 65% impervious cover that would be allowed with a C-2 Designation and was a less intense use for traffic.

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

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

CONSENT AGENDA ITEMS 5-14

Consent Agenda Items 7H and 10 were pulled for Individual Consideration.

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

Mayor Castro called upon Jack M. Finger to speak on the Consent Agenda.

Mr. Jack M. Finger expressed opposition to the CPS Energy Board and SA Energy Acquisition Public Facility Corporation Appointments (Item 10) and noted that energy rates had increased over the past few years.

Faris Hodge, Jr. submitted written testimony in opposition to Items 4A, 4B, 11A, and 11B. He wrote that Board Applicants should be interviewed on television (10A, 11A, 11B). He wrote in favor of Items 5-8.

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

2013-02-07-0083

Item 5. AN ORDINANCE AUTHORIZING AN ADVANCED FUNDING AGREEMENT WITH TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT) AND AUTHORIZING PAYMENT IN AN AMOUNT NOT TO EXCEED \$11,283.00 TO TXDOT FOR COSTS ASSOCIATED WITH OVERSIGHT FOR ADMINISTRATION OF THE FEDERAL FUNDS FROM TXDOT IN CONNECTION WITH THE CONSTRUCTION OF A BIKE TRAIL SYSTEM ASSOCIATED WITH THE WURZBACH PARKWAY/ARTERIAL CONNECTOR PROJECT, A 2007 GENERAL OBLIGATION FUNDED PROJECT, LOCATED IN COUNCIL DISTRICT 9.

Item 6. CONSIDERATION OF THE FOLLOWING ORDINANCES REGARDING THE AWARD OF TWO (2) TWO-YEAR INDEFINITE DELIVERY CONTRACTS TO PROVIDE AS NEEDED CONSTRUCTION OF STREET, SIDEWALK, DRAINAGE, TRAFFIC AND PARK PROJECTS LOCATED CITY-WIDE:

2013-02-07-0084

- A. AN ORDINANCE AWARDED AN INDEFINITE DELIVERY CONTRACT TO F.D. CONCRETE, LLC FOR AN AMOUNT NOT-TO-EXCEED \$4,046,732.50 AND AUTHORIZING PAYMENTS SUBJECT TO THE AVAILABILITY AND APPROPRIATION OF FUNDS.

2013-02-07-0085

- B. AN ORDINANCE AWARDED AN INDEFINITE DELIVERY CONTRACT TO H.L. ZUMWALT CONSTRUCTION INC. FOR AN AMOUNT NOT-TO-EXCEED \$3,883,045.00 AND AUTHORIZING PAYMENTS SUBJECT TO THE AVAILABILITY AND APPROPRIATION OF FUNDS.

Item 7. CONSIDERATION OF THE FOLLOWING ORDINANCES RELATED TO THE FY 2013 STREET MAINTENANCE PROGRAM AND INFRASTRUCTURE MANAGEMENT PROGRAM STREET PROJECTS.

2013-02-07-0086

- A. AN ORDINANCE AWARDING A CONSTRUCTION CONTRACT FOR ASPHALT OVERLAY PACKAGE 1 TO H.L. ZUMWALT CONSTRUCTION, INC., IN THE AMOUNT OF \$2,756,241.60, OF WHICH \$28,000.00 IS TO BE REIMBURSED BY SAN ANTONIO WATER SYSTEMS, FOR AUTHORIZED FY 2013 STREET MAINTENANCE PROGRAM PROJECTS LOCATED IN COUNCIL DISTRICTS 3, 4, AND 5.

2013-02-07-0087

- B. AN ORDINANCE AWARDING A CONSTRUCTION CONTRACT FOR ASPHALT OVERLAY PACKAGE 2 TO H.L. ZUMWALT CONSTRUCTION, INC., IN THE AMOUNT OF \$3,851,677.25, OF WHICH \$91,400.00 IS TO BE REIMBURSED BY SAWS, FOR AUTHORIZED FY 2013 STREET MAINTENANCE PROGRAM PROJECTS LOCATED IN COUNCIL DISTRICTS 1, 6, 7, 8, 9, AND 10.

2013-02-07-0088

- C. AN ORDINANCE AWARDING A CONSTRUCTION CONTRACT FOR ASPHALT OVERLAY WITH RUBBER PACKAGE 3 TO CLARK CONSTRUCTION OF TEXAS, INC. IN THE AMOUNT OF \$6,040,289.29, OF WHICH \$64,375.00 IS TO BE REIMBURSED BY SAWS, FOR AUTHORIZED FY 2013 STREET MAINTENANCE PROGRAM PROJECTS LOCATED IN COUNCIL DISTRICTS 1, 3, 5, 7, 8, 9, AND 10.

2013-02-07-0089

- D. AN ORDINANCE AWARDING A TASK ORDER CONSTRUCTION CONTRACT FOR PACKAGE 5 TO CLARK CONSTRUCTION OF TEXAS, INC., IN AN AMOUNT NOT TO EXCEED \$3,199,793.40, OF WHICH \$24,530.00 IS TO BE REIMBURSED BY SAWS, FOR AUTHORIZED FY 2013 STREET MAINTENANCE PROGRAM REHABILITATION PROJECTS USING THE RECLAMATION PROCESS LOCATED IN COUNCIL DISTRICTS 1, 2, AND 3; ADDITIONAL CAPACITY IS INCLUDED FOR COMPLETION OF STREET PROJECTS NEXT FISCAL YEAR AND IS SUBJECT TO AVAILABILITY OF FUNDS IN CONNECTION WITH THE FY 2014 STREET MAINTENANCE PROGRAM.

2013-02-07-0090

- E. AN ORDINANCE AWARDING A TASK ORDER CONSTRUCTION CONTRACT FOR PACKAGE 6 TO CLARK CONSTRUCTION OF TEXAS, INC., IN AN AMOUNT NOT TO EXCEED \$3,342,610.90, OF WHICH \$24,530.00 IS TO BE REIMBURSED BY SAWS, FOR AUTHORIZED FY 2013 STREET MAINTENANCE PROGRAM REHABILITATION PROJECTS USING THE RECLAMATION PROCESS LOCATED IN COUNCIL DISTRICTS 4 AND 7; ADDITIONAL CAPACITY IS INCLUDED FOR COMPLETION OF STREET PROJECTS NEXT FISCAL YEAR AND IS SUBJECT TO AVAILABILITY OF FUNDS IN CONNECTION WITH THE FY 2014 STREET MAINTENANCE PROGRAM.

2013-02-07-0091

- F. AN ORDINANCE AWARDING A TASK ORDER CONSTRUCTION CONTRACT FOR EDA TASK ORDER CONTRACT PACKAGE 7 TO CLARK CONSTRUCTION OF TEXAS, INC., IN AN AMOUNT NOT TO EXCEED \$662,397.00, OF WHICH \$15,750.00 IS TO BE REIMBURSED BY SAWS, FOR AUTHORIZED FY 2013 STREET MAINTENANCE PROGRAM RECONSTRUCTION AND ASPHALT OVERLAY PROJECTS IN COUNCIL DISTRICT 2.

2013-02-07-0092

- G. AN ORDINANCE AWARDING A TASK ORDER CONSTRUCTION CONTRACT FOR PACKAGE 8 TO CLARK CONSTRUCTION OF TEXAS, INC., IN AN AMOUNT NOT TO EXCEED \$4,962,427.00, OF WHICH \$58,750.00 IS TO BE REIMBURSED BY SAN ANTONIO WATER SYSTEMS, FOR AUTHORIZED FY 2013 STREET MAINTENANCE PROGRAM ASPHALT OVERLAY PROJECTS LOCATED CITYWIDE; APPROPRIATING \$287,280.00 FROM THE STORM WATER OPERATING FUND BALANCE FOR PROJECTS TO BE COMPLETED AS PART OF THE FY 2013 ALLEY MAINTENANCE PROGRAM; ADDITIONAL CAPACITY IS INCLUDED FOR COMPLETION OF STREET PROJECTS NEXT FISCAL YEAR AND IS SUBJECT TO AVAILABILITY OF FUNDS IN CONNECTION WITH THE FY 2014 STREET MAINTENANCE PROGRAM.

Item 8. CONSIDERATION OF THE FOLLOWING ORDINANCES AUTHORIZING THE DECLARATION AS SURPLUS AND DISPOSITION OF TWO REAL PROPERTIES OWNED BY THE CITY OF SAN ANTONIO:

2013-02-07-0094

- A. AN ORDINANCE DECLARING AS SURPLUS AN IRREGULAR 0.287 ACRE VACANT TRACT OF LAND IN NCB 8704, LOCATED WITHIN COUNCIL DISTRICT 1 AND AUTHORIZING ITS SALE TO WHATABURGER REAL ESTATE, LLC FOR \$57,000.00.

2013-02-07-0095

- B. AN ORDINANCE DECLARING AS SURPLUS A 0.395 ACRE PARCEL OF LAND IN NCB 8536, LOCATED WITHIN COUNCIL DISTRICT 5 AND AUTHORIZING ITS SALE TO AUTOZONE TEXAS, LP FOR \$86,000.00.

2013-02-07-0096

Item 9. AN ORDINANCE AUTHORIZING THE SUBMISSION OF THE CHILD CARE SERVICES REQUEST FOR PROPOSAL MULTI-YEAR GRANT APPLICATION TO WORKFORCE SOLUTIONS ALAMO BEGINNING FY 2014.

Item 11. CONSIDERATION OF THE FOLLOWING BOARD, COMMISSION AND COMMITTEE APPOINTMENTS FOR THE REMAINDER OF UNEXPIRED TERMS OF OFFICE TO EXPIRE MAY 31, 2013, TO BE EFFECTIVE IMMEDIATELY UPON THE RECEIPT OF EIGHT AFFIRMATIVE VOTES, OR, IN THE EVENT EIGHT AFFIRMATIVE VOTES ARE NOT RECEIVED, TEN DAYS AFTER APPOINTMENT; OR FOR TERMS AND EFFECTIVENESS AS OTHERWISE INDICATED BELOW:

- A. APPOINTING THOMAS C. LOPEZ (DISTRICT 5) TO THE ZONING COMMISSION.
- B. APPOINTING JOHN FRANKLIN WRIGHT (DISTRICT 6) TO THE LINEAR CREEKWAY PARKS ADVISORY BOARD.

2013-02-07-0097

Item 12. AN ORDINANCE AUTHORIZING THE EXTENSION OF LINE OF DUTY LEAVE FOR FIRE ENGINEER SEAN KIRKEBY.

2013-02-07-0004R

Item 13. A RESOLUTION TO PROCEED WITH LANDMARK DESIGNATION FOR 24 WESTSIDE PROPERTIES.

2013-02-07-0098

Item 14. AN ORDINANCE AUTHORIZING AN INTERLOCAL AGREEMENT WITH AUSTIN, EL PASO, HOUSTON AND COLLIN COUNTY, TEXAS TO PROVIDE FOR THE SHARING OF LAW ENFORCEMENT INFORMATION USING THE COPLINK SYSTEM FOR A TERM ENDING SEPTEMBER 30, 2013, WITH AUTOMATIC ANNUAL RENEWALS.

[CONSENT ITEMS CONCLUDED]

ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

The City Clerk read the caption for Item 7H:

2013-02-07-0093

Item 7H. A PUBLIC HEARING AND CONSIDERATION OF AN ORDINANCE AUTHORIZING A SUBSTANTIAL AMENDMENT TO THE FY 2013 CONSOLIDATED ANNUAL ACTION PLAN AND THE REPROGRAMMING AND SUBSTITUTION OF \$2,000,000.00 IN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR CDBG-ELIGIBLE INFRASTRUCTURE MANAGEMENT PROGRAM STREET PROJECTS ALLOWING GENERAL FUND FUNDS TO BE USED FOR CITY COUNCIL PRIOR APPROVED PRE-K4SA FACILITY IMPROVEMENT PROJECTS.

Councilmember Williams asked for clarification of said item. Peter Zanoni confirmed that they would not be able to use Community Development Block Grant (CDBG) Funds for the Pre-K 4 SA Facility in a timely manner. Therefore, requesting authorization to reprogram CDBG Funds toward eligible street projects in exchange for General Funds. He explained that in order to use CDBG Funds, an environmental assessment of the building and exterior of the property would have to be conducted. He indicated that it would have delayed the construction timeline for the centers. He noted that CDBG Funds would instead be used for four street projects located in Districts 5 and 7.

Councilmember Soules asked of the Southeast Model Center. Mr. Zanoni confirmed that the landlord would construct the shell and the city would pay for the finish out. He stated that there would be a 30-day invoice period from completion of the work. He confirmed that the construction cost for the Southeast Model Center was \$9.2 million and that rent and expense costs totaled \$1.1 million per year.

Councilmember Chan asked if the funds would be used on one or both model centers. Mr. Zanoni replied that the \$2 million would be used for the North Model Center. He stated that the leases for both centers had the landlord providing the tenant finish out. Councilmember Chan asked of the process

utilized. Mr. Zaroni replied that the city had a real estate broker on call and they had announced the opportunity to the business community in and around San Antonio. He reported that they had also utilized a second brokerage firm to double the amount of exposure to the community. He stated that they had looked at over 100 properties before a final recommendation was made.

Councilmember Williams moved to adopt the proposed Ordinance for Item 7H. Councilmember Lopez seconded the motion.

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

The City Clerk read the caption for Item 10:

2013-02-07-0003R

Item 10. A RESOLUTION REAPPOINTING DERRICK HOWARD (SOUTHEAST QUADRANT) AS TRUSTEE OF THE CPS ENERGY BOARD FOR A TERM OF OFFICE EXPIRING JANUARY 31, 2018 AND REAPPOINTING NORA W. CHAVEZ (NORTHEAST QUADRANT), DR. HOMER GUEVARA, JR. (SOUTHWEST QUADRANT), DERRICK HOWARD (SOUTHEAST QUADRANT), EDWARD B. KELLEY (NORTHWEST QUADRANT), JULIAN CASTRO (CITY OF SAN ANTONIO MAYOR), DOYLE BENEBY (CPS ENERGY GENERAL MANAGER AND CEO), AND PAULA GOLD-WILLIAMS (CPS ENERGY CHIEF FINANCIAL OFFICER) TO THE SA ENERGY ACQUISITION PUBLIC FACILITY CORPORATION BOARD OF DIRECTORS FOR TERMS OF OFFICE EXPIRING JANUARY 31, 2015.

Councilmember Soules asked of the process for appointment. John De La Garza of CPS Energy explained that the CPS Energy Board was represented by four quadrants and that each member was selected through an application process and interviewed by the Board. He stated that the Board of Trustees approved the appointment and then was presented to the City Council for ratification. Councilmember Soules asked what would occur if the City Council did not ratify the nomination. Michael Bernard replied that they would have to request another nomination from the CPS Energy Board of Trustees. Ben Gorzell added that the process was outlined in the Bond Indenture. Mr. Bernard reported that the process had been in place since 1942.

Councilmember Chan asked of the influence that one Councilmember could have on the CPS Board. Mr. Gorzell replied that one Councilmember could not affect the appointment of a single CPS Board Member and that the City Council could only accept or deny an appointment.

Mayor Castro thanked Derrick Howard for his service on the CPS Energy Board. He reported that the Austin City Council had decided to utilize the San Antonio Model of Governance for Austin Energy.

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

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

Item 15. CITY MANAGER'S REPORT

A. FINANCE UPDATE

Ms. Sculley reported that the City of San Antonio had received the Gold Leadership Circle Award for the third year in a row from the Texas Comptroller of Public Accounts Office for financial transparency. She stated that the Gold Award highlights government entities that set the bar with transparency efforts. She noted that all of the city's budget and financial information including check registers were available online to the public.

B. ANIMAL CARE SERVICES UPDATE

Ms. Sculley reported that the Animal Care Services Department continues to break records on the Live-Release Rate. She stated that in the month of January, the Live-Release Rate was a historic 83% and up 18% from January 2012. She noted that they were tackling the stray animal population in the community and thanked the many community partners including the Humane Society and San Antonio Pets Alive.

Mayor Castro commended staff on the Live-Release Rate and stated that San Antonio had a lot to be proud of in the area of Animal Care Services.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 2:48 pm.

APPROVED



**JULIÁN CASTRO
MAYOR**

Attest:



**LETICIA M. VACEK, TRMC/MMC
City Clerk**