

**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 10, 2010 AND THURSDAY, FEBRUARY 11, 2010, RESPECTIVELY.

The San Antonio City Council convened in a Work Session at 2:00 pm Wednesday, **February 10, 2010**, Municipal Plaza Building with the following Councilmembers present: Cisneros, Taylor, Ramos, Cortez, Medina, Lopez, Rodriguez, Williams, Chan, Clamp, and Mayor Castro.

1. FOLLOW-UP PRESENTATIONS BY CPS ENERGY REGARDING REVENUE REQUIREMENTS AND RATE DESIGN ALTERNATIVES IN SUPPORT OF A PROPOSED BASE RATE INCREASE FOR ELECTRIC AND GAS SERVICE

Jelynn Burley, Acting General Manager of CPS Energy stated that CPS Energy was working to restore trust and be more responsive to the community. She mentioned the CPS Energy Employees that are out digging ditches, climbing poles and working in the field in inclement weather to ensure that all have energy to use. She stated that good business decisions had led to 17 years without a base rate increase and that San Antonio was in a leadership position toward renewable energy and efficiency. She noted that rate relief was needed to maintain the utility's financial stability and they had evaluated a series of options to address the need. She explained that they had reviewed the possibility of a surcharge for customers that used more than 2,000 kilowatt hours per month but felt that a more thorough evaluation was necessary. She added that they recommended postponing implementation of a tiered rate design until they have the support of Smart Meters or Home Area Networks which will allow owners to track energy use and adjust accordingly. She reported that the CPS Energy Board had approved staff's recommendation of base rate increases of 7.5% for electricity and 8.5% for natural gas. Additionally, the Board approved the proposed bond issuance in the amount of \$379 million and a reimbursement resolution in the amount of \$450 million.

2. PRESENTATION OF CITY STAFF RECOMMENDATIONS ON CPS ENERGY BONDS AND RATES

Ben Gorzell, Finance Director spoke of the review process related to the CPS Energy Capital Budget and their priorities. He referenced a pie chart for the FY 2011-2015 Capital Budget that totaled \$2.79 billion and outlined the various capital projects. He provided Operating and Maintenance Budgets (O&M) through FY 2015 and stated that the FY 2011 O&M Budget was 0.85% higher than the FY 2010 Budget due to Pension Fund Increases, AVR Plant Maintenance, and Capital Resource Transitions. He added that continuous monitoring of the financial position was important due to the constantly changing and evolving operating environment.

Mr. Gorzell spoke of the Debt Service Coverage through FY 2020 noting a target of 1.50 times coverage and a Debt/Equity Ratio targeting 65%. He outlined the Flow of Funds through FY 2015 and provided the Off-System Sales projections through FY 2020 adding that they were variable numbers since they were tied to the price of natural gas. He spoke of the Financing Plan in which

\$994 million in debt would be issued through 2012 over three installments: 1) \$379 million in Spring, 2010; 2) \$330 million in Fall, 2010; and 3) \$285 million in Fall, 2011. He stated that the rates were structured to cover the debt service on issuances through the next planned rate increase and that there was an opportunity for an additional gas system transaction that could result in savings for gas customers.

Mr. Gorzell outlined the Rate Plan that included Base Rate Increases and Estimated Residential Bill Increases for all customers through FY 2021. He provided an update on the Affordability Program, noting that discounts would be increased to offset the average impact of the rate change and that the goal was to increase participation by 10,000 customers. He stated that the current funding for utility credits through the Residential Energy Assistance Program (REAP) was \$1 million annually and were proposing to increase it by \$1 million annually. He noted that the net fiscal impact to the City if the rate is effective March 1, 2010 was \$7.98 million for FY 2010 and \$13 million annually. He reported that City Staff recommended approval of Base Rate Adjustments at 7.5% for the Electric System and 8.5% for the Gas System. He added that they were also in support of the proposed allocation to rate classes and the Affordability Program changes.

Mr. Gorzell stated that they would not recommend a change in the Rate Design at this time and would support the implementation of Pilot Tariffs with the roll-out of SMART Meters. He noted that through the Save for Tomorrow Energy Plan (STEP), there should be 771 MW of energy savings by 2020. He mentioned that funding for the program had been approved through the fuel adjustment charge in May, 2009 and that the program would be phased in over time. He reported that the current forecast indicated that additional energy would not be needed until 2023. Lastly, he noted that CPS Energy should position itself to take advantage of renewable energy in the future to meet energy needs as technology and costs advance.

Mayor Castro asked of the process in determining staff recommendation. Mr. Gorzell replied that they had reviewed the economic and rate models, O&M Budget, Capital Budget, financial metrics of the utility, and various rate scenarios. He stated that city staff supported the proposed base rate increases due to the size of the Capital Program and to maintain financial integrity of the utility. Mayor Castro asked of the rate increases prior to 2008. Mr. Gorzell stated that CPS Energy had not requested a base rate increase in 17 years. Mayor Castro noted that CPS Energy had a strong track record of not requesting rate increases but that would be significantly different over the next 10 years due to the capital investments that require rate support. Mayor Castro asked of the consequences of not approving a rate increase. Mr. Gorzell replied that they would have to significantly revise their Capital Plan and would place the utility in a difficult financial position.

Mayor Castro asked of the implications related to the bond rating. Mr. Gorzell stated that the bond rating agencies would be interested in the rate support for the Capital Program and added that having a strong bond rating allows greater access to the market at lower interest rates. Mayor Castro asked of the impact of the rate increase on the average residential bill. Mr. Gorzell answered that the increase would total \$5.57 per month on a \$100 utility bill. Mayor Castro asked of the Affordability Program. Mr. Gorzell replied that CPS Energy would increase the discount to offset the average impact of the rate customer. Mayor Castro stated that CPS Energy must be aggressive in reaching out to the additional 10,000 customers that could qualify for the program. Lastly, he commended Ms. Burley for her work on behalf of CPS Energy and acknowledged that they were working to rebuild public trust and increase communication.

Councilmember Lopez stated that he had toured CPS Energy facilities and that significant capital investment was needed to maintain quality services. He asked of the Scrubbers Program denoted on Slide 6 at \$611.7 million. Mr. Gorzell reported that \$50 million of the \$611.7 million would be dedicated toward the project in 2011. Councilmember Lopez asked of the impact to the recommended rate increase if more funds were allocated to the Scrubbers Program in 2011. Ms. Burley stated that the rate increase would have to be revised from 7.5% to 8.2%. Councilmember Lopez expressed concern that the Scrubbers Program was not being accelerated and spoke of the significant environmental impact. He asked of the \$259 million allocated for transmission lines and how they were tied to the Mission Verde Initiatives and upgrading of the Grid. Mr. Gorzell reported that a majority of the program was dedicated toward system growth. John Moore of CPS Energy added that Smart Grid Initiatives were referenced to the distribution system and not the transmission system. He noted that they were allocating \$10 million per year over the next two years for Advanced Metering infrastructure and \$6 million on other Smart Grid initiatives.

Councilmember Taylor recognized CPS Energy for their work to regain public trust and noted that many citizens were concerned with the rate increases due to the challenging economic conditions. She asked of the measures taken by CPS to reduce spending. Ms. Burley reported that they had implemented hiring and salary freezes, reduced several system maintenance activities, and reduced their fleet. She noted that they would continue to seek efficiencies but could not continue to defer maintenance that impacts safety and reliability. Councilmember Taylor asked of the level of rate support needed to accomplish Priorities 1 and 2 and to defer Priority 3 on Slide 7. Mr. Gorzell stated that the \$255 million allocated to Priority 3 would equate to less than half of one percent. Ms. Burley added that they would have to review the projects and possibly reprioritize as many of those listed under Priority 3 were necessary. Councilmember Taylor asked of the eligibility requirements for the Affordability Program and the flexibility to include others needing assistance. Mr. Gorzell reported that individuals at 125% of the poverty level were eligible for the program. Ms. Burley added that there were other programs available for Senior Citizens, Temporary Hardships and customers with disabilities.

Councilmember Ramos thanked CPS Energy staff for their work and recognized Paula Gold-Williams for attending a Town Hall Meeting in District 3. She expressed concern with the proposed rate increases and asked of the policy adopted by the CPS Energy Board in 2008 related to rate increases. Mr. Gorzell stated that the Board had approved a resolution in which they would not request more than a 5% total bill increase every other year. Councilmember Ramos asked why the increase was necessary. Mr. Gorzell outlined the CPS Energy Plan over the next five years that totaled \$2.79 billion in capital projects and that sales projections had also declined. Councilmember Ramos expressed concern with the 0.85% increase to the CPS Energy FY 2011 Budget and noted that the city had reduced their budget and would expect to see the same from the utility. She asked of the Off-System Sales for FY 2010 and 2011. Mr. Gorzell replied that the projections were based on natural gas prices and that the opportunities for sales had been limited. Councilmember Ramos noted that the impact of the rate increase totaled \$400,000 annually to the Harlandale Independent School District. She asked if the bond rating was decreased due to the 3.5% increase that had previously been approved. Mr. Gorzell stated that the bond rating had not changed but the Bond Rating Agencies had noted a credit concern that CPS Energy had not received the full amount requested.

Councilmember Cortez spoke of the District 4 President's Association Meeting which the CPS Energy rate increases had been the main topic of discussion. He noted that he had addressed the issue regarding lack of trust for CPS Energy and spoke of the greater communication and transparency due to new leadership including Chairman of the Board, Charles Foster. Councilmember Cortez asked of the timing of the increase. Ms. Burley replied that it was necessary due to the ambitious capital plan and that CPS Energy wanted to have a more prudent schedule related to maintenance activities for transmission and distribution. She stated that as a ratepayer and customer she was sympathetic to the increase however; as the head of the utility, she realized that it is absolutely necessary to maintain system integrity. Councilmember Cortez asked of the reserve accounts. Ms. Paula Gold-Williams showed a slide that outlined the restricted accounts that were designated for specific purposes and noted that they were continuously balancing cash and debt. Councilmember Cortez asked of the CPS Energy efficiencies and reductions. Ms. Burley reported that they had frozen salaries and hiring, and deferred projects and maintenance.

Councilmember Clamp commended CPS Energy for their transparency and communication and asked that CPS Energy provide a baseline strategic slide. He spoke of key financial targets to stay below 10% of competitors and noted that he would like CPS Energy to determine if they are still applicable today, as assumptions have changed over the past 50 years. He asked that CPS Energy provide a ratio of cash to debt on the Capital Plan that includes the rate increase, and requested additional information on customer growth and demand capacity. He asked of the process in allocating the Capital Budget. Ms. Burley stated that there was a priority setting process for capital planning and they were reviewing internal processes to improve resource allocation. Councilmember Clamp stated that customer growth accounts for a large amount of the increase but did not see the return in revenue.

Councilmember Clamp asked of the STEP Program results. Ms. Burley replied that they were reviewing performance but it was too early to make a good assessment. She noted that they were in the process of launching the Weatherization Program and were focused on achieving results. Councilmember Clamp requested a baseline tracking of the financials to include the rate increase and the number of individuals utilizing CPS Energy Payment Assistance Programs. He noted that process improvement and program management was critical. Ms. Burley stated that they would launch various programs over the next few months to foster transparency and improve communication in an effort to rebuild trust among the community.

Councilmember Rodriguez stated that the need for the rate increase could be justified. He asked what the 3.5% increase had generated in dollars and how it had been utilized. He also asked of the monitoring of the usage of funds to ensure that they were utilized as intended. Ms. Burley stated that they had received \$21 million in FY 2009 and \$50 million in FY 2010 and had utilized the funds for infrastructure related to transformers and substations, progress payment on Spruce, and a small increase to energy efficiency programs. Mr. Gorzell added that staff would be monitoring CPS Energy's spending and any changes in the model and would report to the City Council on a regular basis. Councilmember Rodriguez asked of the impact to the bond rating if the full amount of the proposed rate increase was not approved. Mr. Gorzell replied that there could be a negative impact to the bond rating since the bond rating agencies would review the rate support for the Capital and O&M Budgets.

Councilmember Williams thanked Ms. Burley and CPS Energy Staff for all of the information provided and recognized the City Council for engaging in this process. He stated that the meetings have been productive but this is only the beginning. He asked that regular updates be provided to the City Council during City Council Meetings.

Councilmember Cisneros stated that it was a good idea to have regular reports by CPS Energy during City Council Meetings. She requested accountability measures related to the STEP Program. Mr. Gorzell stated that they prepared quarterly reports on the STEP Program and would provide them to the City Council. Councilmember Cisneros asked of the Solartricity Project. Cris Eugster of CPS Energy stated that they would pay a premium to those that placed solar panels on their structures and that the program would be implemented as a pilot program.

Councilmember Cisneros noted that the South Texas Area had been awarded \$27.9 million from the Emerging Technology Fund and expressed concern that San Antonio had not solicited funding. Mr. Eugster stated that there were great opportunities for partnerships through the fund and CPS Energy would be supportive of same. Councilmember Cisneros asked of the two "Other" categories listed on Slide 6. Mr. Gorzell stated that they had tried to place the 600 capital projects in meaningful categories and that the "Other Generation Projects" were those that were not directly assigned to a generation plant. He added that the "Other" category totaling \$194.8 million included roof repair and IT Infrastructure projects. Councilmember Cisneros requested a detailed list of projects reflected in the \$194.8 million and asked that the CPS Energy Quarterly Expenditure Report be available online for public access.

Councilmember Medina concurred with Councilmember Williams in that CPS Energy should provide periodic updates to the City Council. He asked of the effectiveness of the STEP Program. Ms. Burley stated that the goal of the STEP Program was to save 771 megawatts of energy that is equivalent to a plant and if achieved, there would not be a need for additional energy until 2023. She noted that they have a third party that reviews annual performance and that the true test would be the amount of conservation and efficiency achieved. He asked of the programs available to those enduring financial hardship. Ms. Burley stated that the REAP Program provided \$150 twice per year to those that qualified and that CPS Energy was proposing to increase the amount to \$200 twice per year. She noted that the Affordability Program also provided assistance based on eligibility and that there is not a cap on the program.

Councilmember Medina asked if CPS Energy would send staff to the Senior Centers to qualify the elderly for the assistance programs. Ms. Burley noted that the Department of Community Initiatives validates eligibility and reviews each case holistically, as individuals may be eligible for other programs. Mayor Castro asked that CPS Energy staff contribute to that effort to increase participation. Councilmember Chan thanked Ms. Burley and the CPS Energy Staff for providing information and noted that she has seen the difference in communication with CPS Energy.

3. PRESENTATION OF THE "3 PLUS 9" BUDGET AND FINANCE QUARTERLY REPORT FOR THE FIRST THREE MONTHS AND UPDATED ESTIMATES ON REVENUES AND EXPENDITURES FOR THE REMAINING NINE MONTHS OF FISCAL YEAR 2010

Due to time constraints, Item 3 was not addressed.

EXECUTIVE SESSION

Mayor Castro recessed the meeting at 4:57 pm to convene in Executive Session for the purposes of:

A. DISCUSS LEGAL ISSUES RELATED TO CPS ENERGY V. NRG ENERGY, ET AL PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY)

Mayor Castro reconvened the meeting at 5:49 pm at which time it was noted that the City Council had been briefed on the above-styled matter but took no action. There being no further discussion, Mayor Castro adjourned the meeting at 5:49 pm.

The San Antonio City Council convened in a Regular Meeting on Thursday, **February 11, 2010** 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, Medina, Lopez, Rodriguez, Williams, Chan, Clamp, and Mayor Castro.

Item 1. The Invocation was delivered by Rev. K.T. DeVries, Senior Pastor, Mount Calvary Lutheran Church, guest of Councilmember John Clamp, District 10.

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

Item 3. MINUTES

Councilmember Rodriguez moved to approve the Minutes for the Regular City Council Meeting of January 21, 2010. Councilmember Ramos seconded the motion.

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

ITEMS FOR INDIVIDUAL CONSIDERATION

The City Clerk read Item 4:

2010-02-11-0106

Item 4. AN ORDINANCE AUTHORIZING A CONTRACT WITH THE SAN ANTONIO EDUCATION PARTNERSHIP FOR UP TO \$500,000.00 ANNUALLY FOR THE OPERATION AND MANAGEMENT OF THE COLLEGE ACCESS AND OPPORTUNITY CENTER FROM MARCH 1, 2010 TO SEPTEMBER 30, 2011, WITH TWO ONE-YEAR RENEWAL OPTIONS.

Cindy Schoenmakers, Interim Director of the Department of Community Initiatives presented said item and stated that the ordinance would authorize a contract with San Antonio Education Partnership (SAEP) for operation and management of the College Access and Opportunity Center. She noted that the contract term was from March 1, 2010 through September 30, 2011 with an operational budget of up to \$500,000. She reported that according to a 2008 Community Survey, over 93,000 San Antonio students were enrolled in college. She mentioned that in collaboration with local high schools, colleges, and universities, the College Access and Opportunity Center would seek to increase the number of students enrolled in college to 150,000 over five years.

Ms. Schoenmakers stated that as the operator and manager of the center, SAEP would provide services including college recruiting and counseling; assistance in completing financial aid forms; and web-based access to services. She mentioned that all San Antonio middle and high school students and their parents were eligible for services which would be located Downtown.

Ms. Schoenmakers reported that SAEP had a proven track record of leveraging resources in the scholarship model program which will be replicated in the College Access and Opportunity Center. She noted that SAEP was a public/private venture operating its 21st year as a high school success and college preparatory and scholarship program. She mentioned that the FY 2010 Adopted Capital Budget included \$750,000 for facility improvements associated with the project. She added that the College Access and Opportunity Center virtual site would be available by April, 2010 and the site scheduled to open September, 2010.

Mayor Castro called upon the individuals registered to speak.

Eddie Aldrete representing the International Bank of Commerce and the San Antonio Hispanic Chamber of Commerce expressed support for SAEP as the operator and manager of the College Access Opportunity Center. He spoke of economic development issues in the city and the challenges to recruiting companies without having an educated workforce. He referenced comments by Former State Demographer Steve Murdock in regard to the success of San Antonio and noted the opportunity to make a difference.

Tom Frost, Frost Bank congratulated the City of San Antonio regarding this effort and noted that San Antonio was one of the few cities in the country that highly supports education. He highlighted the city services provided through early childhood development, parenting, scholarships, job training and literacy, that support the education process. He spoke of the correlation between education and economic development and provided a comparison of San Antonio and Dallas. He mentioned his personal counseling experience and thanked the city for their investment in education.

Dr. Deborah Healy, Northside Independent School District expressed support for the selection of SAEP to manage and operate the College Access and Opportunity Center. She stated that SAEP had provided years of support to San Antonio youth and spoke of their work in motivating and mentoring students. She noted that SAEP provided many scholarships over the years and spoke of their proven track record.

David Estes representing Our Lady of the Lake University (OLLU) spoke in support of SAEP to operate and manage the College Access and Opportunity Center. He stated that there was great

value in the services provided by SAEP and highlighted the many scholarships that had been provided to students attending OLLU. He thanked the Mayor and Council for their support of the project.

Dr. Bob Zeigler, President of San Antonio College and the Higher Education Council of San Antonio expressed support for SAEP to provide oversight of the College Access and Opportunity Center. He stated that he has been associated with SAEP for 15 years and they have provided great leadership and access to underserved students. He noted that SAEP had the full support of the higher education community in San Antonio and they would work to ensure that the center was successful.

Jack M. Finger expressed opposition to the College Access and Opportunity Center and the funding that would be provided by the city. He stated that the funds should be allocated toward basic services and that education was a State Issue. He spoke against the tax abatement recommended for Corporate Office Properties Trust in Item 5 due to the lack of information provided.

John Frederick representing the University of Texas at San Antonio (UTSA) spoke in support of SAEP to manage and operate the College Access and Opportunity Center. He reported that 47% of UTSA students were first generation college students and spoke of the importance of counseling and advice to encourage youth to attend college. He expressed UTSA's support and added that they were ready to assist with the endeavor in any way possible.

Dr. Ana Guzman, President of Palo Alto College spoke in support of the investment in the College Access and Opportunity Center and noted the great educational needs in the community. She stated that it would take all of the educational resources available to establish a college-attending culture throughout the community. She added that the center would open doors for parents interested in attending college and spoke of her personal experience attending college with her mother.

Dr. Robert Jacklich, Superintendent of Harlandale Independent School District and Member of the SAEP Board spoke in support of SAEP to manage and operate the College Access and Opportunity Center. He noted that SAEP works closely with the high schools, colleges, and universities, and provides students with hope and opportunities for the future. He spoke of the many scholarships provided to Harlandale students and thanked the Council for their support.

Mayor Castro recognized SAEP for the work that they have provided over the past 20 years and noted that it had been implemented during Mayor Henry Cisneros' term. He thanked everyone that came to speak on the item and stated that this was his top priority for 2010 because it fills a gap that exists in the education system. He mentioned that there are many students that are able to go to college but many lack information and confidence. He also stated that this would determine how successful the city is in terms of economic development and that the goal is to have 150,000 students enrolled in college within the next five years.

Councilmember Cortez recognized the individuals that spoke and mentioned that this is the Mayor's cornerstone project. He expressed his support and asked of the bidding process. Ms. Schoenmakers stated that a panel that included a student had reviewed the proposals and participated in the scoring process. Councilmember Cortez also asked of other funding sources. Ms. Schoenmakers mentioned that SAEP would solicit funds through foundations and private donors. She also stated

that local colleges and universities would hold events at the center throughout the year. Councilmember Cortez stated that he was an alumni of Palo Alto College and that community colleges were successful in producing college graduates.

Councilmember Ramos recognized Mayor Castro for his leadership on said item and thanked the community leaders that spoke in support of the center. She spoke of the great collaboration among SAEP, high schools, colleges and universities. She noted that individuals that drop out of high school and receive their GEDs do not know what to do next and this would help guide them in the right direction. She added that she looked forward to the opening of the center later this year.

Councilmember Cisneros thanked staff for their work on said item and recognized Mayor Castro for prioritizing education. She stated that no student that is determined to further their education should be denied access. She noted that many individuals need guidance and is pleased that SAEP will continue to provide scholarships (\$14 million since 1989). She thanked her husband, Henry Cisneros, for his work on SAEP and recognized all of the community leaders that took time out to speak in favor of said program. She added that investment in education would greatly benefit the local economy. She urged those that take advantage of the center that attend college outside the city to come back and contribute to San Antonio as Mayor Castro has.

Councilmember Rodriguez thanked Mayor Castro for his leadership on said item and recognized the community members that spoke in support of the center. He noted that four current Councilmembers have also served on the Board of Trustees for SAISD, ACCD, and Northside ISD – Councilmembers Cisneros, Ramos, Lopez and himself. He spoke of the importance in investing in education early on and stated that this would have a great impact on San Antonio for years to come. Councilmember Lopez expressed his support and noted the importance of education and economic development for the city. He spoke of his high school counseling experience and noted that there was still a counseling gap within high schools. Councilmember Taylor commended Mayor Castro for his leadership on said item and recognized the educators and community leaders that were present. She stated that increasing the number of college graduates would have a great impact on the economy and quality of life.

Councilmember Medina thanked Mayor Castro for making education in San Antonio a priority and also thanked the community leaders that spoke in support of the center. He noted that District 5 included SAISD, Harlandale ISD, South San Antonio ISD and Edgewood ISD within its boundaries and could be challenging for counselors. He added that he was a first generation college student and could have benefitted from the services that will be provided at the center. Councilmember Clamp thanked everyone for their work and stated that the center was an investment in education and economic development. He noted that this was the foundation for well-paying jobs and that he would like to see additional opportunities for a public-private partnership. Mayor Castro recognized Jeanne Russell for her work on educational initiatives.

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

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

The City Clerk read Item 5:

Item 5. A PUBLIC HEARING AND CONSIDERATION OF THE FOLLOWING ORDINANCES RELATED TO CORPORATE OFFICE PROPERTIES TRUST (COPT):

2010-02-11-0107

- A. AN ORDINANCE ESTABLISHING THE CORPORATE OFFICE PROPERTIES TRUST (COPT) REINVESTMENT ZONE, LOCATED AT 7700 AND 7700-1 POTRANCO AVENUE IN COUNCIL DISTRICT 6.

2010-02-11-0108

- B. AN ORDINANCE AUTHORIZING A TAX ABATEMENT AGREEMENT WITH CORPORATE OFFICE PROPERTIES TRUST (COPT) ABATING 100% OF AD VALOREM TAXES FOR 6 YEARS ON NEW REAL PROPERTY IMPROVEMENTS IN THE COPT REINVESTMENT ZONE.

Ed Davis, Economic Development Department Assistant Director stated that the ordinances would designate the Corporate Office Properties Trust (COPT) Reinvestment Zone at 7700 and 7700-1 Potranco Road and would authorize a six-year, 100% Tax Abatement Agreement with COPT. He outlined the project benefits that include a \$50 million new capital investment and annual economic impact of \$145 million. He noted that the project would serve as a magnet and anchor for growth in Cyber Security and provide 1,500 construction jobs over five years. He added that the buildings would be LEED Certified and would utilize SAWS recycled water.

Mr. Davis reported that COPT was a major real estate investment trust located in Maryland contracted by the federal government responsible for facility requirements supporting the Texas Cryptologic Center (TCC) located at Lackland Air Force Base. He stated that TCC was part of the global National Security Agency Enterprise. He noted that the tax abatement for COPT was based on a minimum \$50 million capital investment and 30 full-time jobs. He mentioned that COPT owns 100 acres adjacent to the TCC site with plans to develop three business parks known as Sentry Gateway. He added that the net fiscal benefit to the City over 12 years totaled \$22 million and staff recommended approval.

Mayor Castro opened the public hearing and noted that Mr. Steve Lutz with the Greater Chamber of Commerce spoke in favor of said item. Mayor Castro mentioned that this was a very important component of San Antonio's assets with respect to Cyber Security. He spoke of the great economic impact to the federal and private sectors and noted the opportunity for San Antonio to become a leader in the Cyber Security Sector. Councilmember Lopez stated that he has great confidence in the facility and that it would continue to grow and support the community. He noted that businesses in the area are excited about the economic impact. Councilmember Cortez noted that this will have an impact on the missions at Lackland and the Medina Base Annex and that the jobs created will be part of the 20,000 jobs that the Mayor has made as his goal. He stated that he was fully supportive and recognized Councilmember Lopez for his leadership on the project.

Councilmember Williams expressed his support for the project and also recognized Councilmember Lopez for his leadership on the project. Councilmember Chan echoed the Mayor's remarks in that this investment will make San Antonio a leader in the Cyber Security Industry and expressed her support.

Councilmember Lopez moved to adopt the proposed Ordinances for Items 5A and 5B. Councilmember Cisneros seconded the motion.

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

CONSENT AGENDA: Items 6-18

Consent Agenda Items 9, 10, 12, 14 and 15 were pulled for Individual Consideration. Councilmember Cisneros moved to approve the remaining Consent Agenda Items. Councilmember Ramos seconded the motion.

David Estes representing Our Lady of the Lake University (OLLU) spoke in support of the funding agreement between OLLU and the City of San Antonio for the 24th Street - Commerce to San Luis Improvements Project (Item 10). He thanked the city for their assistance to enhance the facilities and amenities along 24th Street after the damage caused by a fire in May, 2008.

Jack M. Finger expressed concern that 24th Street would be narrowed (Item 10) and spoke in opposition to the contract with the Texas Department of Transportation (TxDOT) to construct improvements for the West Hausman Road Project (Item 16). He stated that TxDOT should be responsible for the improvement and the city should not bear the cost burden.

Councilmember Cortez recognized Councilmember Rodriguez for his work on Item 11, the installation of "Cell Phone Use Prohibited" signs that would be installed at school zones throughout the city.

Faris Hodge, Jr. submitted written testimony in favor of Items 4-13, and Items 17-18. He wrote in opposition to the SAWS Fee Waiver Guidelines (Item 14) noting that there was not enough information provided to citizens.

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

2010-02-11-0109

Item 6. AN ORDINANCE ACCEPTING BIDS FOR THE FOLLOWING CONTRACTS IN THE ESTIMATED ANNUAL AMOUNT OF \$786,000.00: (A) ALAMO IRON WORKS FOR FIREFIGHTING FLASHLIGHTS, BATTERIES AND BULBS; (B) SIDDONS FIRE APPARATUS FLEET SERVICE DIVISION, LLC FOR FIRE APPARATUS PREVENTIVE MAINTENANCE, AND (C) CONTROL TECHNOLOGIES OF TEXAS FOR VIDEO IMAGE VEHICLE DETECTION SYSTEM.

2010-02-11-0110

Item 7. AN ORDINANCE AUTHORIZING THE CITY TO UTILIZE COOPERATIVE CONTRACTS TO PROVIDE THE DEPARTMENT OF PUBLIC WORKS WITH ONE OIL

DISTRIBUTION TRUCK FOR A TOTAL COST OF \$149,014.00, FUNDED FROM THE EQUIPMENT RENEWAL AND REPLACEMENT FUND.

2010-02-11-0111

Item 8. AN ORDINANCE ACCEPTING THE BID FROM TRANE U.S., INC. FOR THE REPLACEMENT AND INSTALLATION OF A ROOFTOP AIR HANDLER LOCATED AT FIRE DEPARTMENT HEADQUARTERS IN COUNCIL DISTRICT 1, FOR A TOTAL COST OF \$71,382.42, FUNDED FROM THE BUILDING MAINTENANCE AND OPERATING FUND.

2010-02-11-0114

Item 11. AN ORDINANCE AWARDED AN INDEFINITE DELIVERY CONSTRUCTION CONTRACT FOR UP TO \$1,015,600.00 TO EZ BEL CONSTRUCTION, LLC FOR MANUFACTURE AND INSTALLATION OF "CELL PHONE USE PROHIBITED" SIGNS TO BE INSTALLED AT THE NUMEROUS SCHOOL ZONES LOCATED THROUGHOUT THE CITY, AVAILABLE FROM THE FY 2010 STREET MAINTENANCE PROGRAM.

Item 13. CONSIDERATION OF THE FOLLOWING BOARD, COMMISSION AND COMMITTEE APPOINTMENTS FOR THE REMAINDER OF UNEXPIRED TERMS 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; OR FOR TERMS AND EFFECTIVENESS AS OTHERWISE INDICATED BELOW:

- A. APPOINTING NETTIE P. HINTON (DISTRICT 2, CATEGORY: PATRON OF THE ARTS) TO THE ARTS AND CULTURAL ADVISORY COMMITTEE.
- B. APPOINTING JAMES J. DEVNO (DISTRICT 2) TO THE CITY COMMISSION ON VETERAN AFFAIRS.
- C. APPOINTING CATHERINE E. SCHNEIDER (DISTRICT 2) TO THE SAN ANTONIO COMMISSION ON LITERACY.

2010-02-11-0118

Item 16. AN ORDINANCE AUTHORIZING A CONSTRUCTION AND MAINTENANCE AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT) WHICH WILL ALLOW THE CITY TO CONSTRUCT IMPROVEMENTS WITHIN TXDOT RIGHT-OF-WAY FOR THE WEST HAUSMAN ROAD PROJECT LOCATED IN COUNCIL DISTRICT 8.

2010-02-11-0119

Item 17. AN ORDINANCE AMENDING AN INTERLOCAL AGREEMENT WITH THE CITY OF ALAMO HEIGHTS TO ADMINISTER A JOINT BID CONTRACT FOR INFRASTRUCTURE IMPROVEMENTS AND AUTHORIZING AN INCREASE OF \$44,000.00 TO PROCEED WITH SIDEWALK IMPROVEMENTS IN COUNCIL DISTRICT 10.

Item 18. CONSIDERATION OF THE FOLLOWING ORDINANCES RELATING TO INTERLOCAL AGREEMENTS WITH THE BEXAR REGIONAL WATERSHED MANAGEMENT PARTNERSHIP:

2010-02-11-0120

- A. AN ORDINANCE AUTHORIZING AN INTERLOCAL AGREEMENT WITH BEXAR COUNTY AND THE SAN ANTONIO RIVER AUTHORITY TO CODIFY PREVIOUS BEXAR REGIONAL WATERSHED MANAGEMENT PARTNERSHIP AMENDMENTS.

2010-02-11-0121

- B. AN ORDINANCE AUTHORIZING AN INTERLOCAL AGREEMENT TO ADD THE CITY OF GREY FOREST AS A NEW MEMBER TO THE BEXAR REGIONAL WATERSHED MANAGEMENT PARTNERSHIP.

[CONSENT AGENDA ITEMS CONCLUDED]

ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

Item 14 was addressed at this time.

The City Clerk read Item 14:

2010-02-11-0116

Item 14. AN ORDINANCE ADOPTING THE SAN ANTONIO WATER SYSTEM (SAWS) FEE WAIVER GUIDELINES.

Barbara Ankamah stated that Fort Sam Houston had been included in the target area for the Inner City Infill Reinvestment Policy but there was no intent to waive fees for federally funded projects. She noted that they had added verbiage to the policy to preclude projects that were funded by the State or Federal Government from eligibility for the SAWS Fee Waiver.

Robert Puente, CEO of San Antonio Water System (SAWS) stated that there had been great coordination among city staff and SAWS staff and commended city staff for listening to their concerns. He noted that it was important for SAWS priorities to be in line with those of the city.

Councilmember Cisneros stated that the Economic and Community Development Council Committee had previously approved the proposed guidelines and asked why an amendment was necessary. Ms. Ankamah replied that it was not the city's intention to include State or Federally funded projects for eligibility for fee waivers and that the goal was to help redevelop and revitalize the surrounding area. Councilmember Cisneros stated that the guidelines would help small businesses that rely on the savings as a part of their reinvestment in the targeted areas. Councilmember Ramos thanked Mr. Puente for being in attendance at the District 3 Town Hall Meeting. She spoke of the importance of reinvestment for the inner core and the great impact it would have on small businesses. Councilmember Taylor expressed her support and stated that she was looking forward to all of the development that would occur on the Eastside.

Councilmember Cisneros moved to adopt the proposed Ordinance that excludes projects funded by the State or Federal Government from eligibility for SAWS Fee Waivers. Councilmember Chan seconded the motion.

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

Item 9 was addressed at this time.

The City Clerk read Item 9:

2010-02-11-0112

Item 9. AN ORDINANCE AWARDING A CONSTRUCTION CONTRACT TO RAM BUILDING SERVICES, LLC IN THE AMOUNT OF \$3,780,118.99; TRANSFERRING \$109,000.00 FROM THE TREE CANOPY FUND INTO THE LEON CREEK GREENWAY NORTHERN SEGMENT PHASE 2 (BABCOCK ROAD TO LOOP1604) PROJECT, AND AUTHORIZING AN AGREEMENT WITH TXDOT TO ALLOW FOR THE CONSTRUCTION AND MAINTENANCE OF LEON CREEK GREENWAY TRAIL IMPROVEMENTS WITHIN TXDOT RIGHT-OF-WAY LOCATED IN COUNCIL DISTRICT 8.

Mayor Castro highlighted the progress being made by the city for the Leon Creek Greenway that would enhance the quality of life for the community. He thanked Councilmember Williams for his leadership on the project and noted that he was pleased that Tree Canopy Funds were being utilized as intended. Xavier Urrutia reported that construction on the project would begin in March and scheduled for completion in February, 2011. Councilmember Williams thanked Mayor Castro for his support and spoke of the importance of the trail system for the area. He noted that there was a large amount of traffic congestion and this would encourage individuals to walk or bike.

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

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

The City Clerk read Item 10:

2010-02-11-0113

Item 10. AN ORDINANCE AUTHORIZING A FUNDING AGREEMENT WITH OUR LADY OF THE LAKE UNIVERSITY (OLLU) WITH THE CITY PORTION NOT TO EXCEED \$130,000.00 TO COMPLETE DESIGN SERVICES MANAGED BY OLLU FOR THE 24TH STREET – COMMERCE TO SAN LUIS IMPROVEMENTS PROJECT LOCATED IN COUNCIL DISTRICT 5; AND APPROPRIATING \$100,000.00 FROM THE COMMUNITY INFRASTRUCTURE AND ECONOMIC DEVELOPMENT (CIED) FUND TO THE PROJECT.

Councilmember Medina stated that he was pleased with the improvements that would be made to 24th Street and requested additional information regarding the funding agreement. Mike Frisbie stated that the partnership with the university was great and recognized David Estes of OLLU. He noted that 24th Street would be converted to reflect a university atmosphere and become more pedestrian friendly. He added that underground work would begin this summer and construction would begin in October. Councilmember Medina spoke of the positive impact it would have on the area and also recognized Mr. Estes for the partnership. Mayor Castro recognized Councilmember

Medina for his leadership and noted that the improvements to the area would provide opportunities for economic development.

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

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

The City Clerk read Item 12:

2010-02-11-0115

Item 12. AN ORDINANCE AUTHORIZING THE SAN ANTONIO POLICE DEPARTMENT TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE BEXAR COUNTY COMMISSIONERS' COURT TO SUPPORT A GRANT APPLICATION FOR THE COMMUNITY-DEFINED SOLUTIONS TO VIOLENCE AGAINST WOMEN PROGRAM.

Councilmember Cortez asked of the Memorandum of Understanding (MOU). Police Chief McManus stated that the MOU would help streamline services that were already in place including the Emergency Protective Order Process. He noted that they would work with the Bexar County Sheriff's Office, as well as the Rape Crisis Center, and Family Justice Center. He added that Bexar County Commissioner's Court would apply for the grant. Councilmember Cortez expressed his support and spoke of the need to address domestic violence issues in the community.

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

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

The City Clerk read Item 15:

2010-02-11-0117

Item 15. AN ORDINANCE AUTHORIZING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND ALAMO COLLEGES FOR THE OPERATION OF THE CITY'S EDUCATIONAL ACCESS CHANNEL; AND AUTHORIZING \$100,000.00 FOR TELEVISION PRODUCTION CAPITAL PURCHASES, AVAILABLE FROM THE FY 2010 PEG FUND.

Councilmember Cisneros stated that the agreement with Alamo Colleges was a good example of the partnership among public entities and would provide a much needed service to the community. She recognized San Antonio College for providing an educational component for over 20 years and encouraged residents to tune into the educational programming that would be offered on the city's channel. Mayor Castro expressed his support and recognized Alamo Colleges for their partnership. Councilmember Cortez asked of the transfer of funds. Di Galvan stated that funding in the amount of \$100,000 from the Public Education Government (PEG) Fund would be provided to the Alamo Colleges. She noted that there was currently a balance of \$8 million in the PEG Fund and that monies could only be utilized for capital expenditures. She explained that San Antonio College has

managed the City's Educational Access Channel since 2006 at no cost and that their equipment was in need of replacement.

Councilmember Cortez asked of the PEG Fund. Ms. Galvan replied that it was funded by one percent of gross revenues received from AT&T, Time Warner, and Grande Communications. In response to Councilmember Ramos, Ms. Galvan stated that staff had requested that the Community Access Preservation Act be placed on the City's Legislative Agenda. She noted that it would authorize municipalities to use the funds for operational purposes. Councilmember Ramos stated that they would be traveling to Washington, DC later in the month and would advocate for a bill on behalf of the city. Lastly, she recognized Dr. Ziegler of San Antonio College for their partnership with the City.

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

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

Mayor Castro recessed the meeting at 11:08 am to break for lunch and noted 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.

Charles Cervantes stated that he was a resident of the Hills of Rivermist and expressed concern with the actions being taken regarding the collapsed retaining wall in the subdivision. He stated that the manmade cliff was falling due to a significant soil shift and that there was mistrust with Pulte/Centex. He spoke of new construction that was still taking place in the neighborhood and noted that it was not prudent to continue. He asked that the homeowners be allowed to participate in the meetings held by Pulte/Centex and that the homes be bought back from the homeowners.

Rhett Smith read a letter that was provided to the American GI Forum in regard to Deborah Spence, a candidate for Justice of the Peace, Precinct 4. He reported that Ms. Spence had been discriminated against and was a disabled, African-American female over the age of 40. He expressed concern that there were many signatures that had been deemed invalid, thus; her petition had not been validated. He spoke of issues with the process in notifying Ms. Spence of her disqualification and added that he had filed a formal complaint with the Secretary of State.

Dee Villarrubia stated that she was thankful for the information that had been provided by CPS Energy during the Special Meetings and that they have earned her trust. She noted that she understood the need for capital and asked that no additional funding be allocated to nuclear power. She mentioned that there were many costs that had increased including gasoline and groceries, and spoke of the need to help individuals on fixed incomes.

Mark Kellmann stated that he was an architect and had been following the discussion on the VIA proposal for light rail routes throughout the city. He provided drawings of a proposed terminal that he had designed in 2002 in which the rail, river barges, and the park and ride would be assembled in the same geographic location. He noted that there were three retention ponds included in the design to increase green space along the river.

Mark Perez expressed concern with the Planning and Development Services Department and the businesses that have been operating without Certificates of Occupancy. He spoke of the loss of his stillborn twin daughters due to the illegal chemicals that were stored at Tetco, his previous place of employment. Lastly, he expressed concern with the illegal chemicals being stored at the Kimberly Clark facility at 4702 Goldfield.

Ben Davila stated that he was a resident of the Hills of Rivermist Subdivision and requested the city's assistance in holding Pulte/Centex accountable for the issues with the development. He expressed concern that the builder was still constructing new homes in the subdivision and asked that their building permits be rescinded.

Tanya Garduno of the Southwest Workers Union stated that she was opposed to the CPS Energy rate increase and spoke of the impact it would have on low-income families. She expressed concern with the lack of information that had been provided by CPS Energy in regard to the STP 3 and 4 Project. She asked that CPS Energy be more transparent and that citizens be involved in the decision-making process.

Nick Calzoncit requested that the city create a department of Peace and Non-Violence in coordination with the school districts. He spoke of issues with tobacco and violence due to influence by the tobacco industry and noted three incidents in which youth were affected by tobacco use.

David Bishop spoke in opposition to the CPS Energy rate increase and noted that the information provided by CPS Energy regarding the residential offers for retail markets was incorrect. He stated that information could be accessed at www.powertochoose.org that showed that there were other utility companies that charged less than what CPS Energy was reporting. He spoke of a study that had been conducted by RW Beck that recommended deregulation and would have increased utility payments to the city.

Kris Keller stated that he was in the process of building a facility at IH-35 and Weidner Road and had encountered numerous roadblocks on the project. He noted that they would be requesting a variance because he had recently been informed that 50% of the building must be constructed of glass. He expressed concern with the impact to the project design and budget, and asked that the variance process be accelerated.

Brain Ramirez stated that he was a resident of the Hills of Rivermist Subdivision and lived two streets away from the homes that were collapsing. He spoke of the many issues that homeowners had encountered including shifting of homes and cracks in the ceiling and walls. He expressed concern that Pulte/Centex representatives would not speak to homeowners. He asked that the city assess fines against Pulte/Centex for not having the necessary permits and that the funds be provided to the homeowners.

Damon Mason spoke in opposition to the expansion of the STP 3 and 4 Nuclear Project. He expressed concern with the lack of information provided by Bexar County in regard to his Open Records Request of Judge Penn.

Elsa Gonzalez stated that she was a resident of the Hills of Rivermist Subdivision and spoke of the many issues with the development. She noted that her daughter was scared to live in their home and that she had noticed cracks and discoloration in her walls. She reported that the house was shifting and that there were cracks in the foundation. She added that the homes were not structurally sound and asked that the city help in any way possible.

Faris Hodge, Jr. spoke in support of transferring Lucky the Elephant to the sanctuary in Tennessee. He stated that he was opposed to the CPS Energy rate increase and against the contract that was approved with San Antonio Fighting Back for an annual rent of \$1.00. He requested that the Alamodome be named after him and asked that issues with the gas furnace at City Hall be addressed. He stated that he had not received a response to his concerns regarding the furnace by the security at City Hall.

Raymond Zavala commended Councilmember Cisneros for her quick response to issues he had brought to her attention. He expressed concern with political signage that had not been removed and spoke in opposition to the proposed CPS Energy rate increase. He stated that he witnessed a City Employee berating subordinate employees and would like the opportunity to discuss same with City Management. He noted that he had not received responses from the Council in regard to the ordinances that he proposed. He requested that Planning and Development Services be held accountable regarding the lack of a permitting process.

Janet Ahmad spoke of the issues with the Hills of Rivermist development and expressed concern that she had not received information about a meeting that was being held with Pulte/Centex. She stated that there needed to be transparency with the process and that the community should be allowed to provide input to the builder. She noted that the builder should be fined and there should be stricter penalties for faulty construction.

Meenaldakshmi Mariappan stated that she was a resident of the Hills of Rivermist Subdivision and expressed concern with the recent development issues. She noted that owning a home had been her dream and she had put a lot of time and energy toward research regarding the location. She mentioned that she was concerned for the safety of her children and that the builders should be held accountable for their actions. She expressed concern with the materials utilized to build her home and added that she did not feel safe in her two-story home. She thanked the city for their assistance and quick response and asked that Pulte/Centex be held accountable.

TR Kannon stated that he was a resident of the Hills of Rivermist and that there had been issues with the retaining wall since 2006. He expressed concern due to not being made aware or disclosure of same prior to his purchase in 2007. He stated that he had lost trust in Pulte/Centex and asked how the issue of the retaining wall would be addressed.

Ravi Dashnamoorthy stated that he was a resident of the Hills of Rivermist and that the issues with the development had affected him morally and economically. He expressed concern that homes

were built at the edge of a cliff and that the builder had not received a permit for the retaining wall. He spoke of the loss of the value of his home and the impact to their quality of life. He recognized Councilmember Williams for apologizing to the homeowners and asked that the city encourage Pulte/Centex to buy the homes back from the owners.

Marco Lopez showed a video of a meeting that was held regarding the Hills of Rivermist and expressed concern that city representatives were not present or aware of the meeting.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 7:13 pm.

APPROVED



**JULIAN CASTRO
MAYOR**

Attest:



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