

**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, MAY 29, 2013, AND THURSDAY, MAY 30, 2013, RESPECTIVELY.

The San Antonio City Council convened in a Work Session at 2:00 pm Wednesday, **May 29, 2013**, Municipal Plaza Building, with the following Councilmembers present: Bernal, Taylor, Saldaña, D. Medina, Lopez, C. Medina, Williams, and Mayor Castro. **ABSENT:** Ozuna, Chan, and Soules.

1. BRIEFING AND POSSIBLE ACTION ON THE FOLLOWING BUDGET AND FINANCIAL UPDATES:

A. FY 2013 SIX PLUS SIX BUDGET & FINANCE REPORT (2ND QUARTER ACTUALS WITH ANNUALIZED PROJECTIONS) AND MID YEAR BUDGET ADJUSTMENT RECOMMENDATIONS

B. FIVE YEAR FINANCIAL FORECAST

Maria Villagomez reported that the financial update for FY 2013 was positive but financial challenges exist for FY 2014. She stated that FY 2013 2nd Quarter results noting that the city was \$3.7 million better than budgeted. She estimated the FY 2013 General Fund Budget to be \$5.1 million better than projected. She reported that a \$35-\$50 million financial gap was projected for FY 2014 Budget due to expenditures growing at a faster pace than revenues. She mentioned that the Overall General Fund Revenues for FY 2014 were projected to increase by 2.4% while expenditures are expected to grow by 3.5%. She spoke of the close out of the 2007 Bond Program and indicated that savings were anticipated from completed projects. She added that recommendations for use of the savings could include using one-time funds for FY 2014 Street Maintenance Projects scheduled within the Infrastructure Maintenance Program (IMP).

Ms. Villagomez provided an overview of the General Fund Available Resources Distributed over Major Spending Areas totaling \$979,616,804 in FY 2013. She presented a Six Plus Six Financial Summary noting that revenues were \$2.7 million higher than projected and spending was reduced by \$1 million. She reported that the FY 2014 General Fund Forecast uses the \$20.2 million beginning balance from FY 2013 Actuals. She outlined the projected ending balances for FY 2014-2018 noting challenges ranging from \$50 million to \$78 million, respectively. She highlighted unfunded requests not included in the forecast from Outside Agencies, Human Services, and Neighborhoods totaling \$51.5 to \$54.5 million. She estimated an annual average increase of 3.30% in Sales Tax Revenue; increase of 2.9% in Property Tax Revenue; and increase of 2.5% in CPS Energy Revenues.

Ms. Villagomez stated that the city currently receives \$150 million in Federal Grants annually. Of the \$150 million; 70 grants totaling \$140 million could be affected by Sequestration. She reported that City Federal Funds could be reduced by \$1.5 million in FY 2013 and \$4.6 to \$6.5 million in FY 2014. She provided an overview of the Restricted Funds in which the Development Services Fund was projected to end FY 2013 in a positive financial position. She highlighted the Hotel Occupancy Tax (HOT) Fund

noting that related expenditures were within budgeted amounts. She reported that the Airport and Solid Waste Funds were both projected to end FY 2013 in a positive financial position.

Ms. Villagomez provided an overview of the Solid Waste Forecast Assumptions from FY 2014-2018. She reported that two additional bulky waste drop-off centers were scheduled to be fully operational by mid-2014. She stated that the Organics Recycling Subscription Program was scheduled to be fully implemented by FY 2015. She noted that Variable Rate Pricing would begin in FY 2017 with implementation by FY 2018. She highlighted the customer rate forecast that was projected to increase every year from FY 2014-2018. She indicated that the forecast supports the current level of service, continuation of the Subscription Organics Program, two additional Bulky Waste Collection Drop Off Centers, and Variable Rate Pricing.

Ms. Villagomez stated that an adjustment was being recommended to the FY 2013 General Fund Budget to include a net expenditure reduction of \$600,000. She noted that this net reduction included an increase of \$130,000 to the Animal Care Services Department to maintain the current Live Release Rate of 78%. She provided an overview of the next steps in the development of the FY 2014 Budget. These include five City-Wide Community Budget Input Meetings from June 10-18, 2013 and five additional meetings from August 12-22, 2013. She reported that the FY 2014 Budget would be presented on August 8, 2013 and adopted on September 12, 2013.

Mayor Castro thanked staff for the presentation and asked what was driving the \$35-50 million gap for FY 2014. Ms Villagomez replied that it was due to a lower beginning balance and growing costs. Mayor Castro asked of the assumptions used regarding CPS Energy Revenue. Mr. Ben Gorzell replied that they use the CPS Energy Rate Model and review their Capital Projections. He stated that fuel prices were historically lower and that mild weather has led to decreased revenue. Mayor Castro asked of the cost of Natural Gas. Mr. Gorzell responded that they had projected a cost of \$4.50 and it was averaging a cost of \$4.38.

Councilmember Saldaña asked of the projections for Sales Tax Revenue. Ms. Villagomez replied that they were anticipating more consumer confidence as the economy continued to recover. She stated that they work with the SABER Institute and utilize population growth. Councilmember Saldaña asked of the additional funds needed for Capital Projects. Ms. Sculley replied that an example was the full year of funding needed to operate new Libraries and Senior Centers. Councilmember Saldaña asked of the 2007 Bond Savings Program. Ms. Sculley stated that savings from the 2007 Bond Program had been utilized and the projects were complete. She noted that there could be additional savings and they could be used to pay off debt sooner or allocated toward other capital projects. She indicated that the amount of savings would be presented to the City Council during the Budget Goal Setting Session on June 25, 2013. Councilmember Saldaña asked of the impact on Head Start Funding due to Sequestration. Melody Woosley replied that there would be reduction of \$1 million to the budget beginning July 1, 2013 and would impact 150 children in the San Antonio and Edgewood Independent School Districts. She noted that for the remainder of the community; six grantees would operate Head Start and Sequestration would reduce 350 slots. She added that the city's overall reduction was \$30 million since six grantees would now share the allocation. Councilmember Saldaña asked of the impact of Sequestration on Public Safety. Ms. Villagomez replied that there would be a reduction of \$1.4-1.5 million from FY 2014 and forward. Ms. Sculley added that the reduction would affect training and specialized equipment.

Councilmember Williams asked of the previously projected deficit. Ms. Villagomez replied that they had estimated \$12-25 million in challenges. Councilmember Williams stated that he was pleased that staff was managing expenses and that it could have been a lot worse. He noted that the city receives \$0.14 cents from every revenue dollar from CPS Energy and it was not all bad that revenues were down since ratepayers were paying less.

Mayor Castro thanked staff for the presentation.

2. STAFF PRESENTATION OF THE PRE-K 4 SA PROGRAM FY 2013 AND FY 2014 ANNUAL OPERATING BUDGETS AS ADOPTED BY THE EARLY CHILDHOOD EDUCATION DEVELOPMENT CORPORATION BOARD OF DIRECTORS ON APRIL 16, 2013.

Peter Zanoni presented the Pre-K 4 SA FY 2014 and FY 2014 Proposed Budgets. He stated that they were adopted by the Pre-K 4 SA Board on April 16, 2013 and would be considered by the City Council for approval on June 6, 2013. He reported that Local Government Code Chapter 379A that allows for Pre-K 4 SA requires that the city collect taxes and remit to the Corporation. He explained that the Pre-K 4 SA Board adopts rules to govern the Pre-K 4 SA Program. In addition, the Board accepts grants or loans, and employs necessary personnel. He stated that the City Council approves the Board's budget and amends the budget during the fiscal year with 2/3rds approval. He spoke of the Pre-K 4 SA Bylaws in which the Pre-K 4 SA Board adopts the budget prior to May 1st. The Board prepares and presents financial statements, as well as financial quarterly reports to the City Council.

Mr. Zanoni reported that the initial Pre-K 4 SA Budget and Business Plan was developed in July and August of 2012 by a Budget Development Team that included City Staff and Outside Experts. He mentioned that the presentation today includes updated budget assumptions and amounts since August 2012. He stated that the proposed forecast and adopted budget reflects an updated business model based on best practices and additional services such as personnel and transportation.

Mr. Zanoni stated that the purpose of Pre-K 4 SA was to improve the quality and quantity of Pre-K Childhood Education to four-year-olds citywide. He noted that 22,000 children would be served over eight years and that the program was funded by 1/8 cent sales tax. He presented an 8-Year Financial Forecast and outlined the number of positions by Fiscal Year. He stated that the FY begins July 1st and ends June 30th and that two Pre-K Centers would open in FY 2014. He noted that two additional Centers would open in FY 2015 and that extended day service would be provided at the Centers free of charge. He mentioned that family support services, transportation, breakfast, lunch and snacks would be provided.

Mr. Zanoni spoke of the FY 2013 Revenue totaling \$7.3 million in Sales Tax noting that Sales Tax Collection began on April 1, 2013. He reported a FY 2013 Budget of \$828,684 for Marketing, Curriculum, Consultant Services, and Hiring of Initial Staff Members. He stated that the FY 2014 Expenditure Budget totaled \$23 million and would be used to serve 700 children at two Centers. He added that the amount included Professional Development and a Program Assessment.

Mayor Castro thanked staff for the presentation and commended the Pre-K 4 SA Board for their work. He stated that he was impressed with the work of the CEO and City Staff. He asked of the relationship

between City Staff and Pre-K 4 SA for the future. Ms. Sculley replied that City Staff was still supporting the program and were beginning the transition.

Councilmember Saldaña commended everyone for their efforts on Pre-K 4 SA. He asked how any excess of projected Sales Tax Revenue would be utilized. Mr. Zaroni replied that they would make adjustments in the program as necessary based on greater or less than projected revenues. Ms. Sculley added that the funds would remain in the Fund Balance. Councilmember Saldaña asked of any changes that would be made when marketing the program next year. Mr. Zaroni stated that they would continue outreach to the community and had learned a great deal from talking to residents. He noted that a small group had convened to discuss lessons learned and would implement them next year.

Councilmember Lopez thanked everyone that had worked on Pre-K 4 SA. He asked of the school districts that were not participating in the program this year but may want to be included next year. Mr. Zaroni responded that they could work on a Memorandum of Understanding (MOU) now and did not have to wait until next year. He stated that once an MOU was signed, they could begin providing professional development training for their teachers. Councilmember Lopez asked of Bridge Study Assessment. Mr. Zaroni replied that each school district uses different tools to test aptitude and that the Bridge Study builds a commonality among the various scales. Ms. Sculley added that an Independent Program Evaluation would be conducted and the Request for Proposals for same was in process.

Mayor Castro thanked staff for the presentation.

EXECUTIVE SESSION

Mayor Castro recessed the meeting at 3:30 pm to convene in Executive Session for the purposes of:

- A. DISCUSS LEGAL ISSUES RELATED TO SANITARY SEWER OVERFLOWS PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- B. DISCUSS LEGAL ISSUES RELATED TO *NATASHA BROWN V. CITY OF SAN ANTONIO* PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- C. DISCUSS LEGAL ISSUES RELATED TO *DANIEL AND GLORIA THOMAS, ET AL V. CITY OF SAN ANTONIO*, ET AL PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- D. 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). ITEM D WAS NOT ADDRESSED.**
- E. 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). ITEM E WAS NOT ADDRESSED.**

CEREMONIALS

Mayor Castro reconvened the meeting at 5:45 pm and addressed the Ceremonial Item.

Mayor Castro presented Plaques of Appreciation to Outgoing Councilmembers Leticia Ozuna and Reed Williams. The City Council thanked Councilmembers Ozuna and Williams for their service on the City Council.

CITIZENS TO BE HEARD

Mayor Castro called upon the individuals registered to speak.

Steve Hixon stated that he had lived in San Antonio since 1968. He expressed concern with the decision by SAWS to approve a service agreement for the Crescent Hills Neighborhood. He noted that it would increase water bills for all customers and would compromise the water supply.

Randy Bear spoke in support of the proposed Non-Discrimination Ordinance revisions. He stated that the claims that costs would be increased due to Domestic Partner Benefits had not proven true. He thanked the City Council for their support and stated that he was pleased that all would be treated equally.

Timothy Roan addressed the City Council in opposition to the Crescent Hills Subdivision. He expressed concern that 10,000 people would be housed so close to the Bracken Bat Cave and that the Golden-Cheeked Warbler would be in danger. He asked that the water supply not be jeopardized.

Allen Townsend addressed the City Council in opposition to the Crescent Hills Subdivision that would be developed over the Edwards Aquifer Recharge Zone. He stated that the City Council represents the ratepayers and should help people. He noted that resources were already being stretched and he was concerned with the pollution of the water supply.

Diane Lang addressed the City Council in opposition to the Crescent Hills Subdivision that would be built over the Edwards Aquifer Recharge Zone. She spoke of environmental concerns and asked the City Council to protect the water supply and habitat. She requested that SAWS rescind their service agreement for the development.

Robert Cameron requested a change to Chapter 10 of the Building Related Codes to include specific wording to allow homeowners to pull permits to perform electrical work. He noted that it would allow Electrical Inspectors to verify the work done by homeowners and generate more revenue for the city.

Andrew Walker, Mylea Bayless, and Fran Hutchins representing BAT Conservation International addressed the City Council in opposition to the Crescent Hills Subdivision. Mr. Walker stated that they were dedicated to the advocacy and research on bats. He highlighted the Bracken Cave Preserve which is home to the world's largest colony of bats. He showed a video of the area and noted that the bats eat 100 tons of insects every night. He expressed concern with potential human health issues if the development were to occur and spoke of the need to protect the Federally-Endangered Golden-Cheeked Warbler. He highlighted the public investment made to protect the Edwards Aquifer and the city's drinking water.

Stacy McReynolds addressed the City Council and stated that she was privileged to have visited the Bracken Bat Cave. She noted that it was the largest of its kind in the world and highlighted the benefits that bats provide to the community.

George Rice addressed the City Council and expressed concern with the proposed Crescent Hills Subdivision. He stated that he was a Groundwater Hydrologist and had spent 20 years studying contaminants in the Edwards Aquifer. He noted that development over the Edwards Recharge Zone resulted in the degradation of the quality of water in the Aquifer. He added that without detailed plans, there was no way to determine the amount of impervious cover. He asked that the City Council require SAWS to rescind the service agreements for the development.

Margaret Day, Jerry Morrissey, and Gay Wright representing the Alamo Sierra Club addressed the City Council in opposition to the Crescent Hills Development. Ms. Day spoke of their concerns with the project that include being located over the Edwards Aquifer Recharge Zone. She noted that it was also located near three preserves. She spoke of the cost infrastructure and management that would have to be paid by taxpayers. She expressed concern with the many rate increases that SAWS had implemented over the years. She added that it was important to ensure comprehensive and sustainable development and to protect the bats and Golden-Cheeked Warbler. She requested that SAWS rescind their service agreements for the development and that a buffer be implemented to protect the Bracken Bat Cave.

Andrea Figueroa addressed the City Council in support of the changes to the proposed Nondiscrimination Ordinance. She stated that it was important to treat everyone fairly and noted that her family was also supportive of the changes.

Amy Stone addressed the City Council in support of the proposed Non-Discrimination Ordinance. She stated that she had previously lived in Michigan and worked with vulnerable children in the community. She noted that she would never support anything that would put children or young females at risk. She asked the City Council to follow the lead of many cities and companies that boast inclusive, non-discrimination policies.

Itza Carbajal addressed the City Council in opposition to the Crescent Hills Subdivision. She expressed concern with the impact that the development would have on the water supply and environment.

Cindy Eckhardt addressed the City Council regarding the proposed Crescent Hills Subdivision and stated that it was important to maintain the ecosystem. She asked the City Council to protect the natural cave and water supply and added that the city was still in a drought.

James Cannizzo addressed the City Council regarding the Army's concerns with the Crescent Hills Development. He stated that they were concerned with compliance regarding the Endangered Golden-Cheeked Warbler and spoke of the investment by the County and Army to set up a Golden-Cheeked Warbler Preserve. He noted that the developer had begun clearing the tract which could be Warbler Habitat and that the tract of land should be added to the chain of Golden-Cheeked Warbler Preserves in the area.

Marianne Kestenbaum addressed the City Council in opposition to the Crescent Hills Subdivision. She stated that it would be costly to provide water and wastewater to the area and that current SAWS Ratepayers should not have to bear the burden.

Jesse Martinez addressed the City Council in support of the proposed Non-Discrimination Ordinance. He stated that he had served in the military and believed that everyone should be treated equally.

Terry Dudley, Annalisa Peace, and Darby Riley representing the Greater Edwards Aquifer Alliance addressed the City Council in opposition to the Crescent Hills Subdivision. Ms. Peace expressed concern that the service agreement would compromise the Edwards Aquifer. She referenced the negative effects that recent sewer spills have had on the Edwards Aquifer Recharge Zone. She noted that current SAWS Customers would subsidize the project and would be subject to increased water rates. She asked the City Council to rescind the service agreements and issue a Resolution to deny service to Crescent Hills.

DeeDee Belmares addressed the City Council in support of the proposed Non-Discrimination Ordinance changes. She noted that it was important to treat everyone equally under the law and that employees should be judged on their performance; not sexual orientation. She added that approval of the Ordinance would help attract and retain top talent.

Victoria Paparelli addressed the City Council in opposition to the Crescent Hills Subdivision. She stated that they had received over 13,000 signatures on a petition to protect the Bracken Bat Cave. She stated that the cave was very special and that there was none other like it in the world.

Jessica Alderson of Texas Parks and Wildlife addressed the City Council in opposition to the Crescent Hills Development. She spoke of the importance of the Bracken Bat Cave noting that it is a summer home for millions of bats. She highlighted the benefits of the bats which include eating tons of insects that save farmers money by reducing pesticides and crop damage.

Anne Pearson addressed the City Council in opposition to the Crescent Hills Development noting its proximity to the Bracken Bat Cave. She stated that bats were important to the ecosystem and to the City's Agriculture.

Gerald Ripley addressed the City Council in opposition to the proposed Non-Discrimination Ordinance. He spoke of Daniel Webster who had appeared on more stamps than most Presidents and was known as one of the five greatest Senators of all time. He stated that one day, all would have to account for their actions before God. He referenced a story regarding a Camel and compared it to the proposed Non-Discrimination Ordinance. He provided examples of lawsuits in which businesses were sued due to not adhering to such Ordinance and expressed concern with First Amendment Rights that would be violated.

Pete Ortega addressed the City Council and expressed concern that Veterans were included in the proposed Non-Discrimination Ordinance. He stated that he did not believe there was a need for said Ordinance and that Veterans were being discriminated against. He expressed concern that they were being grouped with the Lesbian/Gay/Bi-Sexual/Transgender (LGBT) Community and asked that Veterans be excluded from the Ordinance.

Camilla Ritchey addressed the City Council in opposition to the Crescent Hills Subdivision noting that it was located near the Bracken Bat Cave. She spoke of the great amount of noise that would be caused by the development and noted concerns with the impact to the wildlife.

Susan Hughes addressed the City Council in opposition to the Crescent Hills Development located near the Bracken Bat Cave. She spoke of the importance of protecting the cave and the Edwards Aquifer and mentioned that the citizens had approved using the sales tax to protect the Aquifer.

Janice Flowers addressed the City Council in opposition to the proposed Non-Discrimination Ordinance. She stated that there would be lawsuits filed if the Ordinance was approved and asked the City Council to be truthful when making their decision. She added that it was not necessary to make the changes and that she felt dishonored.

Former Councilmember Maria A. Berriozabal addressed the City Council in support of the proposed Anti-Discrimination Ordinance noting that all persons should be treated the same. She spoke in opposition to the Crescent Hills Development noting her concerns with SAWS' position; that the development would occur whether they provided water service or not.

Bernard Kauffman addressed the City Council in opposition to the Crescent Hills Subdivision. He expressed concern that current SAWS Ratepayers would subsidize the development. He noted that all of the speakers before him regarding said topic had expressed their opposition.

Marcos Kauffman addressed the City Council in opposition to the Crescent Hills Subdivision. He spoke of the importance of protecting the integrity of the Edwards Aquifer for future generations. He asked the City Council to urge SAWS to rescind the service agreements for the development.

Mark Perez addressed the City Council in regard to various environmental concerns. He referenced several facilities that were operating without the proper permits to include DPT Laboratories in District 1 and NuStar Refinery in District 3. He expressed concern with various city employees who had not responded to his requests for information.

Kathleen Krueger stated that she was the Former Mayor Pro Tem for the City of New Braunfels and spoke in opposition to the Crescent Hills Subdivision. She noted that it was important to think of the impact of the development to current and future generations. She indicated that the Edwards Aquifer and Bracken Bat Cave were very important assets.

Jennifer Ingram stated that she was Transgender Person who had served in the military and been discriminated against. She noted that she was supportive of the proposed Non-Discrimination Ordinance and believed that everyone should be treated fairly and equally.

Gregory Pasztor spoke in opposition to the Crescent Hills Subdivision. He stated that he taught classes at Palo Alto College and was concerned with the future impact of the development. He asked the City Council to encourage SAWS to rescind the service contracts.

Mobi Warren spoke in opposition to the Crescent Hills Development noting that he was concerned for the Bracken Bat Cave. He asked that SAWS rescind their service agreements for the development.

Alan Montemayor stated that he had lived in San Antonio for 57 years and believed that the Bracken Bat Cave was fantastic. He expressed opposition to the Crescent Hills Development that would compromise the cave and asked that the SAWS Service Agreements be rescinded.

Amanda Haas, Graciela Sanchez, and Monica Velasquez representing the Esperanza Peace and Justice Center spoke in support of the proposed Human Rights Ordinance and in opposition to the Crescent Hills Development. Ms. Haas stated that the Human Rights Ordinance was a necessity. She spoke of the importance of protecting the Bracken Bat Cave due to the many insects that bats eat. She expressed health concerns for those living in the development and asked why taxpayer and ratepayer funds were being used. Ms. Sanchez added that she was concerned that action would not be taken and asked why the City Council continued to support developers.

Susanna Segura spoke in support of the proposed Human Rights Ordinance and commended Councilmember Bernal for his leadership on same. She expressed concern with the sewer spills that occurred on the Southside and asked that SAWS not expand service to Comal County. She noted that they should take care of their current infrastructure. She added her concerns that the Citizens to be Heard portion of City Council Meetings was not televised.

Dr. Jill Thrift stated that she had previously served as an Early Childhood Educator and was opposed to the proposed Non-Discrimination Ordinance. She referenced having a Gender Conforming Identity and expressed concern with the affects of the Ordinance on children. She noted concerns with the many lawsuits that would be filed if the Ordinance was passed.

Laurie Brown addressed the City Council in opposition to the Crescent Hills Subdivision. She stated that the Bracken Bat Cave was the most beautiful place that she had ever visited. She asked the city to protect the water supply and the Golden-Cheeked Warbler.

Paul Pipkin addressed the City Council in opposition to the Crescent Hills Subdivision. He stated that it was important to protect the Bracken Bat Cave and the Edwards Aquifer Recharge Zone.

Aida Cadena addressed the City Council in opposition to the Crescent Hills Subdivision. She stated that SAWS should rescind the service agreements as ratepayers should not subsidize the development. She noted that she was Pro-Business but believed the developer should spend their own money.

Audrey Wagstaff stated that she was a former city employee and expressed concern that she was told that she did not have any rights. She noted that everyone should be treated fairly and that she should not have been retaliated against.

Journey Bisset stated that he was 10-years-old and opposed to the Crescent Hills Subdivision. He asked the City Council to protect the Bracken Bat Cave.

Tara Lynn Santos spoke in opposition to the proposed Non-Discrimination Ordinance. She stated that all should be treated with respect but was concerned that those that identify with an LGBT Lifestyle have every protection afforded to them. She noted various examples of detrimental litigation initiated by LGBT Activists throughout the US.

Richard Brewer stated that he was a Retired Military Officer in opposition to the Crescent Hills Subdivision. He noted that he did not believe that the development was necessary and that the Bracken Bat Cave was an asset for the State of Texas.

Karen Kramer stated that she was a resident of District 6 and expressed concern with the trash, graffiti, and overgrown weeds on Tezel Road. She noted that she and her family had made efforts to clean up the area but they needed help. She thanked the City Council for the improvements that have been made in their community but asked that more funding be directed to other parts of the city instead of Downtown.

Alice Canestaro-Garcia stated that she was opposed to the Crescent Hills Subdivision and spoke of the importance of protecting the Edwards Aquifer. She asked that the SAWS Service Agreements be rescinded. She added that she was supportive of the proposed Human Rights Ordinance.

Klaus Weiswurm stated that he lives near the Bracken Bat Cave and is opposed to the Crescent Hills Subdivision. He noted that his main concern was for the Aquifer which he believed could be contaminated by the development.

David Katakalos stated that this year, the City of Dallas would commemorate the assassination of President John F. Kennedy. He noted that the day before his assassination, President Kennedy stood in front of the Brooks School of Aerospace Medicine and gave a very inspiring speech. He mentioned that there was a photo of same at Earl Abel's Restaurant which his father had taken. He added that he believed this was an important cultural asset in time that should be commemorated.

Imelda Arismendiz addressed the City Council in opposition to the Crescent Hills Subdivision. She stated that she wanted to ensure that clean water would be available for future generations. She added that she was supportive of the Human Rights Ordinance.

Coda Rayo-Garza addressed the City Council in opposition to the Crescent Hills Subdivision. She stated that she believed that it was fiscally irresponsible for SAWS to provide water to individuals outside of Bexar County.

Stephen Colley addressed the City Council in opposition to the Crescent Hills Subdivision. He encouraged the City Council to have SAWS rescind the service agreements for the development.

Iliana Peña addressed the City Council in opposition to the Crescent Hills Subdivision. She expressed concern with the impact of the development on the Golden-Cheeked Warbler and encouraged the City Council to support thoughtful development.

Faris Hodge, Jr. submitted written testimony noting the various Executive Session Items on the City Council Agendas. He wrote that Charter Schools may have an advantage. He noted the recent revisions to the City's Ethics Code. He referenced the summer jobs that were available at City Swimming Pools and the City's Agreement with the American Society for the Prevention of Cruelty to Animals. He highlighted the City's acquisition of land known as Mabe-Canyon Ranch and the City Code Amendment allowing for a subscription-based Organics Collection Program. He requested that City Employees receive a 10% pay increase and noted that acts of kindness were very important.

Mayor Castro announced that the City Council had been briefed in Executive Session but had not taken any action.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 9:10 pm.

The San Antonio City Council convened in a Regular Meeting on Thursday, **May 30, 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, and Mayor Castro. **ABSENT**: Soules.

Item 1. The Invocation was delivered by Brandon Smith, Office of the City Clerk, guest of Mayor Julián Castro.

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

POINT OF PERSONAL PRIVILEGE

Mayor Castro recognized the Director and Students of the University of Texas at San Antonio (UTSA) Center for Innovation and Technology Entrepreneurship (CITE) Program. Mr. Cory Hallum, Director of the CITE Program thanked the City Council for the recognition and stated that he was present to convey good news and make one request. He asked the students that participated in the Tech Symposium to stand and be recognized. He spoke of the various technology projects they worked on and requested that the City Council spread the word of what is occurring at UTSA. Mayor Castro congratulated the students and stated that he was pleased to celebrate the initiative. Councilmembers Bernal, Williams and D. Medina added their congratulations and support for the program. Mayor Castro asked the students to do everything they can to stay in San Antonio after Graduation.

Item 3. MINUTES

Councilmember D. Medina moved to approve the Minutes for the May 8-9, 2013 City Council Meetings. Councilmember Bernal seconded the motion.

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

City Clerk Leticia Vacek announced that Item 23 had been pulled from the Agenda by staff and would not be addressed.

ITEMS FOR INDIVIDUAL CONSIDERATION

The City Clerk read the caption for Item 4:

Item 4. CONSIDERATION OF THE FOLLOWING FINANCIAL MATTERS RELATING TO CPS ENERGY:

2013-05-30-0350

- A. AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY'S ELECTRIC AND GAS SYSTEMS JUNIOR LIEN REVENUE BONDS, SERIES 2013 ("BONDS"), IN A PRINCIPAL AMOUNT NOT TO EXCEED \$400 MILLION, AND OTHER FINANCIAL MATTERS AS NECESSARY; AND THE DISTRIBUTION OF AN OFFICIAL STATEMENT RELATING TO THE BONDS.

2013-05-30-0351

- B. AN ORDINANCE AUTHORIZING AN AMENDMENT AND EXTENSION OF TWO OF THE NOW EXISTING REVOLVING CREDIT AGREEMENTS (BEING THOSE AGREEMENTS PROVIDING LIQUIDITY TO THE CITY'S \$450,000,000 ELECTRIC AND GAS SYSTEMS COMMERCIAL PAPER NOTES SERIES B AND SERIES C, RESPECTIVELY), BRINGING THE LIQUIDITY SUPPORT EQUAL TO THE COMMERCIAL PAPER AUTHORIZED CAPACITY OF \$600,000,000; AND THE DISTRIBUTION OF AN UPDATED OFFERING MEMORANDUM RELATING TO THE COMMERCIAL PAPER.

2013-05-30-0017R

- C. A RESOLUTION AUTHORIZING A CASH DEFEASANCE OF CERTAIN OF THE CITY'S ELECTRIC AND GAS SYSTEMS REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$100 MILLION AND THE EXECUTION OF AN ESCROW AGREEMENT.

Assistant City Manager Ben Gorzell provided an overview of the transactions that were being requested for approval. He introduced Paula Gold-Williams, Executive Vice-President and CFO for CPS Energy. Ms. Gold-Williams presented a Power Point noting that the first transaction consisted of the issuance of up to \$400 million par value of Junior Lien Revenue Bonds, Series 2013. She stated that they would be used to fund capital improvements over the next 18-24 months and pay costs and expenses related to the issuance of the Bonds. She provided an overview of the Forecasted Debt Service inclusive of all Liens of Debt from FY 2014 through FY 2023. She reported that current and future debt service through FY 2014 fits within CPS Energy's current Revenue Requirements. She indicated that the 2010 Rate Plan included: 1) A projected \$490 million fixed-rate bond issuance in 2013; and 2) Electric and Gas base rate increases in January/February 2012 which have since been postponed to Spring 2014.

Ms. Gold-Williams stated that the second transaction would amend and extend two existing Revolving Credit Agreements providing liquidity support to the City's \$600 million Electric and Gas Systems Commercial Paper Notes, Series B and C. She noted that the third transaction was the authorization of a cash defeasance of approximately \$63.5 million par amount of certain maturities of its Senior Lien Bonds and Execution of an Escrow Agreement. She reported that the sources of the funds were the Repair and Replacement (R&R) Account and Debt Service Account. Lastly, she outlined the Transaction Participants and provided timelines for each of the transactions.

Mayor Castro called upon the following individuals registered to speak:

Nazirite Ruben Flores Perez spoke in support of the transactions but asked that the process move forward slowly.

Nikki Kuhns addressed the City Council in opposition to the transactions. She expressed concern with the CPS Energy Board Members and stated that she did not believe that the right questions were being asked. She spoke of her concerns with Smart Meters and the frequency of their signals. She added that there were fires reported in California due to Smart Meters and noted the excessive costs of the program.

Jack M. Finger spoke of the problems with Smart Meters and expressed concern with the many rate increases implemented by CPS Energy. He asked why there were no Citizens to be Heard at CPS Energy Board Meetings.

Rhett Smith noted that said transactions had been pulled from the City Council Agenda a month ago and asked of the impact of meeting obligations. He stated that he was supportive of CPS Energy Board Members being elected by the citizens.

Mayor Castro asked of the city's review and judgment regarding said transactions. Mr. Gorzell replied that they had reviewed the transactions and believed they were in the utility's and city's best interest.

Councilmember Williams asked of the debt coverage. Mr. Gorzell replied that they were at 2.3 times coverage on the Senior Lien. Ms. Gold-Williams added that on the full coverage, they were at 1.5. She stated that their goal was to get back into the 1.8-1.9 coverage but would take until 2020 or 2021 to do so. Councilmember Williams spoke of the importance of maintaining a good credit rating. He stated that the second transaction was an insurance policy on the Commercial Paper and asked of the cost. Ms. Gold-Williams replied that it was very affordable at 20 basis points or below. Councilmember Williams asked if there was full coverage on the short-term financing. Ms. Gold-Williams confirmed that they were fully protected if there was a problem.

Councilmember Chan asked if the projection on the debt coverage was based on not having a rate increase. Mr. Gorzell replied that there were various scenarios and one of them has a proposed rate increase built into it. He stated that the assumptions being discussed this morning were based on not having a rate increase. Councilmember Chan asked of the current balance on the Commercial Paper. Ms. Gold-Williams replied that she did not have the exact number but their capacity was \$450 million. She estimated being just under \$400 million. Councilmember Chan asked what the R&R Fund was used for. Ms. Gold-Williams responded that it was used for the cash funding portion of their Capital Program and that they had a balance of \$250-300 million in the R&R Fund. She added that they manage the liquidity very closely and believed they were healthy from a cash perspective.

Councilmember Williams moved to adopt the proposed Ordinances for Items 4A and 4B and approve the Resolution for Item 4C. Councilmember Chan seconded the motion.

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

The City Clerk read the caption for Item 5:

2013-05-30-0352

Item 5. AN ORDINANCE AUTHORIZING THE NEGOTIATION AND EXECUTION OF A CONSTRUCTION MANAGER AT RISK CONTRACT IN THE AMOUNT NOT-TO-EXCEED \$105,000,000.00 WITH TURNER CONSTRUCTION COMPANY FOR THE CONSOLIDATED RENTAL CAR FACILITY AT SAN ANTONIO INTERNATIONAL AIRPORT, A CUSTOMER FACILITY CHARGE FUNDED PROJECT.

Frank Miller presented a Power Point on the Construction Manager at Risk for the Consolidated Rental Car Facility (CONRAC). He stated that a CONRAC was recommended as part of the Airport Master Plan and the City Council had approved a Customer Facility Charge (CFC) as a funding mechanism for the CONRAC. He reported that the City Council had approved a Design Services Contract with TranSystems on February 21, 2013. He provided an overview of the CONRAC noting that it would include a Customer Service Area for Rental Car Ticketing Areas. He stated that there would be multi-level fueling stations and vehicle wash facilities. Additionally, there would be public parking, access to roadway systems, and other amenities.

Mr. Miller highlighted the Construction Manager at Risk Responsibilities in which they will collaborate with the City and TranSystems; provide constructability reviews; and perform value engineering. He spoke of the solicitation process and noted that a Request for Qualifications (RFQ) was released in January 2013. He outlined the minimum qualifications noting that the respondent shall have demonstrated experience: 1) Minimum of 10 years of experience in building projects in similar size, complexity and type; 2) Experience and understanding in construction management of multi-phased projects and projects with on-going operations; and 3) Project Management and Cost Estimating. He reported that eight teams submitted proposals and two teams were shortlisted by the Evaluation Committee. The two teams were Austin Commercial and Turner Construction. He explained the Evaluation Matrix and indicated that Turner Construction had scored the highest and was being recommended as the Construction Manager at Risk.

Mr. Miller reported that the mandatory minimum goal for subcontracting was 31% for Small Business Enterprises (SBE) and 24% for Minority/Women Business Enterprises (M/WBE). He stated that Turner Construction had committed to meeting both goals. He noted that Turner Construction had worked on CONRACs at SeaTac International; Miami International; and Indianapolis International Airports. He indicated that Turner Construction was headquartered in New York but had a local San Antonio Office. He outlined the fiscal impact in which the City Council would authorize a contract in an amount not-to-exceed \$105 million and initial work authorization for pre-construction services in an amount not-to-exceed \$680,000. He reported that TranSystems had begun design services which were expected to take 18 months to complete. He stated that construction would begin in October 2014 and the project was projected to be substantially complete by January 2017.

Mayor Castro called upon Mr. Jack M. Finger to speak on said item.

Mr. Jack M. Finger stated that he had many questions about the project. He noted that the car rental companies would benefit from the CONRAC and asked why the average tax payer would have to

subsidize the project. He added that he believed the car rental companies should have built the facility and asked how long the CFC would be charged.

Mayor Castro thanked staff for the presentation and asked when the project would be complete. Mr. Miller confirmed that the project would be completed by January 2017. Mayor Castro spoke of the convenience that the CONRAC would provide for travelers and asked if a shuttle would be utilized. Mr. Miller replied that they would not have to use a shuttle as the CONRAC would be within walking distance. Mayor Castro asked of the proximity to a future Terminal C. Mr. Miller responded that the CONRAC would be able to serve all terminals in a convenient manner. Mayor Castro inquired of the subcontracting goals and efforts made by Turner Construction. Mr. Miller explained that they had not reached that point yet and that they would solicit small business participation at a certain point in the design phase. Mayor Castro asked of the penalties for not adhering to a Maximum Guaranteed Price. Mr. Miller replied that there were contingencies in place to address unforeseen conditions but the Maximum Guaranteed Price would be set and must be complied with. Mayor Castro mentioned that he looked forward to the completion of the project.

Councilmember Chan asked of the \$105 million. Mr. Miller replied that \$105 million was the budget for the project. Councilmember Chan asked of the Construction Manager at Risk Process. Mike Frisbie explained that they were in the process of working with the design team along with the construction management team. He noted that their goal was to stay within the \$105 million budget. He indicated that they would determine a Maximum Guaranteed Price when they reached 70% of the design. Councilmember Chan asked of the type of contract being signed with the construction company. Mr. Frisbie replied that there would be a not-to-exceed contract amount and there would be criteria for the Maximum Guaranteed Price to be delivered. He noted that they had submitted their general conditions and profit numbers that need to be held to. Councilmember Chan congratulated Turner Construction but stated that it was unfortunate that no local general contractors were able to add this project to their portfolios. She spoke of the need to continue to build local talent and help the businesses in San Antonio. She asked of the two firms that were short listed and what stood out in the scoring. Mr. Frisbie stated that the two firms chose not to do a joint venture and would be significantly teaming locally during the construction phase. He indicated that their specific experience and project team stood out. Councilmember Chan requested that there be systems in place when changing out key personnel. She asked who would be the person managing the project on behalf of the city. He stated that Jeff Rodriguez under Razi Hosseini, Assistant CIMS Director would manage the project. Councilmember Chan thanked staff for their work and asked that they continue to help build capacity and experience of local firms.

Councilmember Lopez asked when the City Council may know if the January 2017 opening may not be met. Mr. Miller replied that they would know more once the design phase was complete. He stated that they would monitor construction of the project on a regular basis. Councilmember Lopez requested that staff be cognizant of the January 2017 deadline due to the travel season and would like to see the project completed earlier.

Councilmember C. Medina asked of the subcontracting goals on the design phase. Mr. Frisbie replied that the design team had been approved by the City Council in February and consisted of 10 local, small, minority-owned businesses. He added that the Contract Design Team would work with Turner Construction to ensure that the subcontracting goals were met.

Councilmember Chan moved to adopt the proposed Ordinance. Councilmember C. Medina seconded the motion.

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

CONSENT AGENDA ITEMS 6-30B

Consent Agenda Items 10A&10B, 19, and 24 were pulled for Individual Consideration. Item 23 was pulled by Staff and was not considered.

Councilmember Williams moved to approve the remaining Consent Agenda Items. Councilmember Saldaña seconded the motion.

Mayor Castro called upon the individuals registered to speak on the Consent Agenda.

Jack M. Finger expressed concern with the contract with International Duty Free Stores/UETA (Item 12) noting that the City Council had received campaign finance contributions from the company. He spoke in opposition to the lawsuit settlement (Item 26) and asked of the investigation that occurs after an accident during city business. He asked if the employee had been punished for their action on the lawsuit in Item 27.

Nikki Kuhns spoke in opposition to the contract amendment with the Texas Department of State Health Services (Item 18) noting that she did not believe funds should be spent on oral health care until an investigation occurs. She spoke of the dangers of fluoride and noted that there could be lawsuits due to dental fluorosis and fraud in the health care system.

Randy Murdock, Animal Care Services (ACS) Board Member spoke in support of the leases with Pets Alive and PetShotz (Items 15A and 15B). He stated that the ACS Board conduct more inspections of facilities than are required by the State and provide feedback to ACS Staff. He commended Councilmembers Ozuna and Williams for their great service.

Mona Thaxton, ACS Board Chair also spoke in support of the leases with Pets Alive and PetShotz (Items 15A and 15B). She stated that they would support the strategic plan approved by the City Council and highlighted the increased number of adoptions, spays and neuters that would be achieved. She added that the Board would continue to conduct facility inspections to ensure that proper standards are maintained.

Rhett Smith addressed the City Council in opposition to the license agreements with Calumet San Antonio Refinery, LLC (Item 16) and stated that many citizens were not aware that there was an oil refinery in the city. He expressed concern with environmental issues and noted that the Missions and Mission Reach would be negatively impacted.

Faris Hodge, Jr. submitted written testimony in favor of Items 4-6, 8-19, 21-26, and 29A-30A. He wrote that citizens should be able to see the Board and Commission Appointees on television (Items 20A-C).

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, and Mayor Castro. **NAY:** None. **ABSENT:** Soules.

2013-05-30-0353

Item 6. AN ORDINANCE ACCEPTING THE OFFER FROM PHILPOTT MOTORS, BENSON HONDA AND NORTH PARK VOLKSWAGEN TO PROVIDE 43 GASOLINE/ELECTRIC POWERED HYBRID ADMINISTRATIVE SEDANS TO THE CITY OF SAN ANTONIO FOR A TOTAL COST OF \$1,033,342.20, FROM THE EQUIPMENT RENEWAL AND REPLACEMENT FUND.

2013-05-30-0354

Item 7. AN ORDINANCE ACCEPTING THE OFFER FROM TWINCREST, INC. D/B/A TWINCREST TECHNOLOGIES FOR RADAR VEHICLE DETECTION EQUIPMENT FOR AN ESTIMATED ANNUAL COST OF \$441,000.00.

2013-05-30-0355

Item 8. AN ORDINANCE AUTHORIZING THE EXECUTION OF A FUNDING AGREEMENT IN AN AMOUNT NOT-TO-EXCEED \$2,200,000.00 WITH ANIMAL DEFENSE LEAGUE OF TEXAS, FOR THE DESIGN, CONSTRUCTION AND OPERATION OF A KENNEL FACILITY FOR THE STRAY ANIMAL KENNELS PROJECT ON ANIMAL DEFENSE LEAGUE OWNED LAND AT 11300 NACOGDOCHES DRIVE, A 2012-2017 GENERAL OBLIGATION BOND FUNDED PROJECT; AND, AS PART OF THE PROJECT AUTHORIZING THE EXECUTION OF A LEASE/SUBLEASE OF THE PROJECT LAND FOR A 25-YEAR TERM.

Item 9. CONSIDERATION OF THE FOLLOWING ACTIONS RELATED TO THE MARKET STREET REALIGNMENT PROJECT, A \$36.3 MILLION DOWNTOWN STREETS RECONSTRUCTION AND HEMISFAIR PARK AREA STREETS REDEVELOPMENT, 2012-2017 GENERAL OBLIGATION BOND FUNDED PROJECT, IN CONNECTION WITH THE CONVENTION CENTER EXPANSION PROJECT, LOCATED IN COUNCIL DISTRICT 1:

2013-05-30-0356

A. AN ORDINANCE APPROVING A SAN ANTONIO WATER SYSTEM-DRIVEN DEDUCTIVE CHANGE ORDER IN THE DECREASED AMOUNT NOT TO EXCEED \$1,242,629.00 TO THE \$36,298,583.23 CONSTRUCTION CONTRACT WITH CAPITAL EXCAVATION COMPANY FOR THE REALIGNMENT OF MARKET STREET.

2013-05-30-0357

B. AN ORDINANCE AUTHORIZING A PROPERTY EXCHANGE, WHEREBY THE CITY TRANSFERS TO SAN ANTONIO WATER SYSTEM A 0.2254 ACRE PARCEL IN EXCHANGE FOR A 0.2436 ACRE PARCEL NEEDED FOR THE REALIGNMENT OF MARKET STREET, BOTH PARCELS ARE LOCATED AT 900 EAST COMMERCE (WITHIN NCB 13813); AND, AUTHORIZING PAYMENT IN AN AMOUNT NOT-TO-

EXCEED \$100.00 TO THE BEXAR COUNTY CLERK'S OFFICE FOR ASSOCIATED PROPERTY RECORDING FEES.

2013-05-30-0360

Item 11. AN ORDINANCE AUTHORIZING THE EXTENSION OF THE CONCESSION AGREEMENTS WITH ADVANTAGE, ALAMO, AVIS, BUDGET, DOLLAR/THRIFTY, ENTERPRISE, HERTZ, AND NATIONAL AT THE SAN ANTONIO INTERNATIONAL AIRPORT TO COINCIDE WITH THE OPENING OF THE CONSOLIDATED RENTAL CAR FACILITY, WITH A MINIMUM GUARANTEED RENT OF \$7,829,700.00 PER YEAR FROM THE AGENCIES.

2013-05-30-0361

Item 12. AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONCESSION AGREEMENT TO EXTEND THE TERM FOR THREE ADDITIONAL YEARS AND INCREASE THE PREMISES AN ADDITIONAL 606 SQUARE FEET WITH INTERNATIONAL DUTY FREE STORES/UETA AT SAN ANTONIO INTERNATIONAL AIRPORT.

2013-05-30-0362

Item 13. AN ORDINANCE AUTHORIZING AN EXTENSION RETROACTIVE FROM MAY 1, 2013 THROUGH APRIL 30, 2018 OF THE PARKING AGREEMENT WITH NIX HOSPITALS LLC FOR USE OF 400 SPACES IN THE HOUSTON STREET PARKING GARAGE WITH A FIRST YEAR PAYMENT OF \$471,528.00.

2013-05-30-0363

Item 14. AN ORDINANCE AUTHORIZING A DONATION AGREEMENT, PEDESTRIAN EASEMENT, AND TEMPORARY RIGHT OF ENTRY FOR CONSTRUCTION OF A PEDESTRIAN BRIDGE OVER THE SAN ANTONIO RIVER IN THE RIVER WALK MUSEUM REACH.

Item 15. CONSIDERATION OF THE FOLLOWING ITEMS RELATED TO THE MANAGEMENT OF ANIMAL CARE SERVICES' FACILITIES IN BRACKENRIDGE PARK:

2013-05-30-0364

- A. AN ORDINANCE AUTHORIZING A LEASE WITH SAN ANTONIO PETS ALIVE, INC. TO MANAGE AND OPERATE THE NEW PAUL JOLLY CENTER FOR ANIMAL ADOPTIONS AND PETCO PAVILION IN BRACKENRIDGE PARK FOR AN INITIAL TERM OF THREE YEARS WITH THE OPTION TO RENEW THE LEASE FOR UP TO FIVE TWO-YEAR TERMS.

2013-05-30-0365

- B. AN ORDINANCE AUTHORIZING A LEASE WITH PETSHOTZ, INC. TO MANAGE AND OPERATE THE NEW PETCO SPAY AND NEUTER FACILITY IN BRACKENRIDGE

PARK FOR AN INITIAL TERM OF THREE YEARS, WITH THE OPTION TO RENEW THE LEASE FOR UP TO FIVE TWO-YEAR TERMS.

Item 16. CONSIDERATION OF ORDINANCES AUTHORIZING THREE 10-YEAR LICENSE AGREEMENTS WITH CALUMET SAN ANTONIO REFINERY, LLC, PURCHASER OF THE NUSTAR ENERGY SAN ANTONIO REFINERY PIPELINE, TO CONTINUE USING AND OPERATING THE PIPELINE CONSTRUCTED WITHIN THE PUBLIC RIGHT-OF-WAY BY NUSTAR ENERGY IN 2012:

2013-05-30-0366

- A. AN ORDINANCE AUTHORIZING A 10-YEAR LICENSE AGREEMENT WITH CALUMET SAN ANTONIO REFINERY, LLC FOR USE OF PUBLIC RIGHT-OF-WAY TO INSTALL, OPERATE AND MAINTAIN PIPING UNDER OLD CORPUS CHRISTI ROAD (BETWEEN NCB 10927 AND NCB 10879).

2013-05-30-0367

- B. AN ORDINANCE AUTHORIZING A 10-YEAR LICENSE AGREEMENT WITH CALUMET SAN ANTONIO REFINERY, LLC FOR USE OF PUBLIC RIGHT-OF-WAY TO INSTALL, OPERATE AND MAINTAIN PIPING UNDER SHANE ROAD (IN NCB 10915).

2013-05-30-0368

- C. AN ORDINANCE AUTHORIZING A 10-YEAR LICENSE AGREEMENT WITH CALUMET SAN ANTONIO REFINERY, LLC FOR USE OF PUBLIC RIGHT-OF-WAY TO INSTALL, OPERATE AND MAINTAIN PIPING UNDER SOUTHTON ROAD (BETWEEN NCB 10917 AND NCB 10915).

2013-05-30-0369

Item 17. AN ORDINANCE AUTHORIZING THE USE OF CITY COUNCIL PROJECT FUNDS IN THE AMOUNT OF \$37,471.19 FOR THE FIT FAMILY CHALLENGE DISTRICT 4 GET FIT 5K AND THE FIT FAMILY CHALLENGE DISTRICT 6 FITNESS FEST SPONSORED BY SAN ANTONIO SPORTS.

2013-05-30-0370

Item 18. AN ORDINANCE AUTHORIZING A CONTRACT AMENDMENT WITH THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES FOR TITLE V CHILD DENTAL HEALTH SERVICES TO ACCEPT AN ADDITIONAL \$11,975.00 IN FUNDING, BRINGING THE TOTAL CUMULATIVE AMOUNT OF THE CONTRACT TO \$265,000.00; AND AUTHORIZING A CONTRACT AMENDMENT WITH THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO DENTAL SCHOOL TO PROVIDE AN ADDITIONAL \$9,580.00 BRINGING THE TOTAL CUMULATIVE AMOUNT OF THE CONTRACT TO \$212,000.00 FOR THE PROVISION OF DENTAL SERVICES DURING THE TERM OF SEPTEMBER 1, 2012 TO AUGUST 31, 2013.

Item 20. CONSIDERATION OF THE FOLLOWING BOARD, COMMISSION AND COMMITTEE APPOINTMENTS FOR THE REMAINDER OF UNEXPIRED TERMS OF OFFICE TO EXPIRE MAY 31, 2015, 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 ELIZABETH BETTY FELDMAN (DISTRICT 9) TO THE HISTORIC AND DESIGN REVIEW COMMISSION.
- B. APPOINTING ELLA D. GORDON (DISTRICT 10) TO THE CITY/COUNTY JOINT COMMISSION ON ELDERLY AFFAIRS.
- C. APPOINTING MATTHEW CARPENTER, CURTIS R. CASEY, SUZANNE B. SCOTT, ROBERT SHEARER, STEVEN SANO, MARISE MCDERMOTT-GRIZZARD, JOAN KORTE, RICHARD E. HARTMAN, ROBERTO FLORES, AND CHRISTINA E. BIGLEY (DISTRICT 1) TO THE TAX INCREMENT REINVESTMENT ZONE NO. 31-MIDTOWN BOARD.

2013-05-30-0372

Item 21. AN ORDINANCE AUTHORIZING THE AMENDMENT TO A PROFESSIONAL SERVICES AGREEMENT WITH XIP CONSULTING, LLC IN AN AMOUNT OF \$3,565.00, FUNDED BY 2010 AIRPORT TAX NOTES, FOR IT PROGRAM AND CONSTRUCTION MANAGEMENT OVERSIGHT SERVICES.

2013-05-30-0373

Item 22. AN ORDINANCE AMENDING THE FY 2013 ANNUAL OPERATING BUDGET TO ADJUST REVENUE AND APPROPRIATION LEVELS IN CERTAIN FUNDS BASED UPON THE RECENTLY COMPLETED MID-YEAR REVIEW OF REVENUES AND EXPENDITURES.

ITEM PULLED FROM THE AGENDA BY STAFF

Item 23. AN ORDINANCE APPROVING A SAWS IMPACT FEE WAIVER IN THE AMOUNT OF \$250,000.00 FOR THE MASTERS RANCH AT PECAN VALLEY APARTMENT COMMUNITY, LOCATED AT 3435 E. SOUTHCROSS BLVD, A PROJECT PARTNERSHIP BETWEEN THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION AND HOMESPRING REALTY PARTNERS.

2013-05-30-0374

Item 25. AN ORDINANCE AUTHORIZING THE PURCHASE OF ADDITIONAL FUNCTIONALITY FROM TYLER TECHNOLOGIES, INC. FOR THE SAN ANTONIO MUNICIPAL COURT CASE MANAGEMENT SYSTEM IN AN AMOUNT NOT TO EXCEED \$39,250.00 IN ONE-TIME COSTS AND \$24,625.00 FOR ON-GOING MAINTENANCE FOR THE TEXAS VEHICLE AND DRIVER'S LICENSE INFORMATION AND SAN ANTONIO POLICE

OFFICER SCHEDULING MODULES, AND AUTHORIZING THE PAYMENT OF \$3.00 PER TRANSACTION FOR THE ONLINE PAYMENTS OF CITATIONS.

2013-05-30-0375

Item 26. AN ORDINANCE AUTHORIZING THE SETTLEMENT OF A LAWSUIT STYLED *MIGUEL MONTEMAYOR, III V. SUSAN ATEES V. CITY OF SAN ANTONIO*, CAUSE NUMBER 2011-CI-15153 IN THE 73RD JUDICIAL DISTRICT COURT OF TEXAS, BEXAR COUNTY FOR PAYMENT IN THE AMOUNT OF \$100,000.00 FROM THE SELF-INSURANCE LIABILITY FUND.

2013-05-30-0376

Item 27. AN ORDINANCE AUTHORIZING THE SETTLEMENT OF A LAWSUIT STYLED *SAN JUANA SALAS V. CITY OF SAN ANTONIO*, CAUSE NUMBER 2010-CI-07258 IN THE 150TH DISTRICT COURT, BEXAR COUNTY, TEXAS FOR PAYMENT IN THE AMOUNT OF \$170,000.00 FROM THE SELF-INSURANCE LIABILITY FUND.

2013-05-30-0377

Item 28. AN ORDINANCE AUTHORIZING A CONTRACT AMOUNT OF \$272,359.16 FOR ELECTION SERVICES TO THE BEXAR COUNTY ELECTIONS ADMINISTRATOR FOR THE JUNE 15, 2013 RUN-OFF ELECTION IN COUNCIL DISTRICTS 5 AND 8.

Item 29. CONSIDERATION OF THE FOLLOWING TWO ORDINANCES RELATED TO THE NOISE AND OPERATIONS MONITORING SYSTEM AT THE SAN ANTONIO INTERNATIONAL AIRPORT:

2013-05-30-0378

A. AN ORDINANCE CONSENTING TO THE ASSIGNMENT OF A CONTRACT WITH SRA INTERNATIONAL, INC. TO EXELIS INC.

2013-05-30-0379

B. AN ORDINANCE EXTENDING THE CONTRACT WITH EXELIS INC. FOR THE NOISE AND OPERATIONS MONITORING SYSTEM FOR TWO YEARS IN THE TOTAL AMOUNT OF \$245,000.00, FUNDED BY AIRPORT OPERATING AND MAINTENANCE FUNDS.

Item 30. CONSIDERATION OF THE FOLLOWING ITEMS RELATED TO THE DOWNTOWN PUBLIC IMPROVEMENT DISTRICT:

2013-05-30-0380

A. AN ORDINANCE RE-ESTABLISHING THE DOWNTOWN PUBLIC IMPROVEMENT DISTRICT TO PROVIDE SUPPLEMENTAL SERVICES IN THE DOWNTOWN AREA FOR

AN ADDITIONAL TEN YEARS BEGINNING OCTOBER 1, 2013 THROUGH SEPTEMBER 30, 2023 AND EXPANDING THE BOUNDARIES OF THE DISTRICT.

2013-05-30-0381

- B. AN ORDINANCE AMENDING THE MANAGEMENT CONTRACT WITH CENTRO SAN ANTONIO MANAGEMENT CORPORATION TO INCLUDE ADDITIONAL SIDEWALK POWER WASHING SERVICES TO BE PROVIDED IN THE DOWNTOWN PUBLIC IMPROVEMENT DISTRICT.

[CONSENT ITEMS CONCLUDED]

ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

The City Clerk read the caption for Items 10A and 10B:

Item 10. CONSIDERATION OF THE FOLLOWING ACTIONS RELATED TO THE CULEBRA 58F DRAINAGE PHASE 2B PROJECT, A 2007-2012 GENERAL OBLIGATION BOND PROJECT, LOCATED IN COUNCIL DISTRICT 7:

2013-05-30-0358

- A. AN ORDINANCE APPROVING A CITY-REQUESTED CHANGE ORDER, IN THE DECREASED AMOUNT OF \$406,000.00, WITH LIBERTY MUTUAL INSURANCE COMPANY FOR THE CULEBRA 58F DRAINAGE PHASE 2B PROJECT.

2013-05-30-0359

- B. AN ORDINANCE AUTHORIZING THE EXECUTION OF AN OFF-SITE MITIGATION AGREEMENT WITH TCP III STRAUS MEDINA, LLC, IN THE AMOUNT NOT TO EXCEED \$406,000.00, FOR THE CULEBRA 58F DRAINAGE PHASE 2B PROJECT.

Councilmember C. Medina stated that they have been able to reduce the budget on this project and asked for an update. Mike Frisbie explained that it was a former Ballenger Construction Project that had been rebid. He stated that there was a mitigation step built into the budget and that the project would be completed by the end of the year.

Councilmember C. Medina moved to adopt the proposed Ordinances for Items 10A and 10B. Councilmember Lopez seconded the motion.

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

The City Clerk read the caption for Item 19:

2013-05-30-0371

Item 19. AN ORDINANCE AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION FOR UP TO 25 POLICE OFFICERS IN THE AMOUNT OF \$3,125,000.00 TO THE U.S. DEPARTMENT

OF JUSTICE, OFFICE OF COMMUNITY ORIENTED POLICING SERVICES, FOR A HIRING PROGRAM GRANT.

Councilmember D. Medina highlighted said item and asked of the previous amount of Police Officers that had been added. Chief McManus stated that 50 Police Officers had been funded by said grant in 2010 and that this submission would add 25 Police Officers. Councilmember D. Medina asked where the Police Officers would be assigned in the community. Chief McManus replied that the grant requires that they be used for Community Oriented Policing Activities and planned to utilize the Officers to address property crimes in areas of highest need. Councilmember D. Medina stated that there had been a positive impact on the community and looked forward to future efforts.

Councilmember Chan asked of the additional costs associated with the Police Officers and potential impact to the budget. Mrs. Sculley stated that they will present financial alternatives for the City Council as part of the budget deliberations in August. Councilmember Chan asked if any current resources could be reallocated to patrol within the districts. Chief McManus confirmed that there could be some flexibility on same.

Councilmember D. Medina moved to adopt the proposed Ordinance. Councilmember Bernal seconded the motion.

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

The City Clerk read the caption for Item 24:

2013-05-30-0018R

Item 24. A RESOLUTION NOMINATING SOUTHWEST GENERAL HOSPITAL, L.P. FOR CONSIDERATION AND DESIGNATION AS A STATE ENTERPRISE PROJECT QUALIFYING THE COMPANY FOR A POTENTIAL REFUND OF UP TO \$1,250,000.00 OVER 5 YEARS IN STATE SALES AND USE TAXES BASED ON A PROJECT INVESTMENT EXCEEDING \$10 MILLION AND THE RETENTION OF 744 JOBS.

Councilmember Saldaña expressed his support and asked of the chances for qualification. Rene Dominguez stated that they review a number of factors and Southwest General Hospital met all of the criteria and had a very good chance. He noted that they were partnering with Ryan and Company Consulting in San Antonio which had experienced great success with other nominations. He added that there was no fiscal impact to the city. Councilmember Saldaña asked what was on the table. Mr. Dominguez responded that it was based on the projects that were developed and the amount of invoices that were sent to the State. Councilmember Saldaña asked of the investments that would be made. Mr. Dominguez replied that it would be primarily used for the Cardiac Center. Mr. Greg Desmond, CEO of Southwest General Hospital added that they were very committed to Women's Services but needed to upgrade their Cardiology Efforts. He stated that they had recruited new physicians to the area and would grow the infrastructure and technology at the hospital.

Mayor Castro thanked Southwest General Hospital for their investment and great quality of care that they provide.

Councilmember Saldaña moved to approve the Resolution. Councilmember Bernal seconded the motion.

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

Item 31. CITY MANAGER'S REPORT

A. SAN ANTONIO POLICE DEPARTMENT UPDATE

Ms. Sculley reported that based on Uniform Crime Report Statistics through March, San Antonio has seen a decrease in crime throughout the city. She stated that Homicides in the First Quarter of 2013 compared to the First Quarter in 2012 have decreased by 61%. She noted overall, total violent crime has decreased by 6%. She noted that property crimes have decreased by 3.9% from the First Quarter of 2012. She stated that the San Antonio Police Department (SAPD) would continue to focus on improving Uniform Crime Report Statistics and keep the City Council updated. She spoke of the completion of the Comprehensive Review of Rules and Procedure Governing Vehicle Pursuits and Emergency Vehicle Operations. She stated that based on feedback from SAPD Personnel and an expert consultant, the regulations have been updated to reflect the latest research on Best Practices. She highlighted the SAPD SWAT Team that recently competed in the Central Texas Cert Challenge noting that they won four of five events including an Individual Cert Elite Competition.

B. ALAMODOME UPDATE

Ms. Sculley reported that this year marks a significant milestone for the Alamodome as it celebrates its 20th Anniversary. She stated that in the last 20 years, the Alamodome has hosted NBA Games, Valero Alamo Bowl, NFL Training Camps, and NFL Games as the temporary home of the New Orleans Saints in 2006 after Hurricane Katrina. She noted that in 2011, the Alamodome became the home of UTSA Football and the Arena Football League San Antonio Talons. She stated that this year for the first time ever, the Alamodome hosted Major League Baseball where close to 75,000 fans over a two-day period watched the Texas Rangers versus the San Diego Padres. She reported that in the current Fiscal Year, the Alamodome's Calendar includes 150 event days. She highlighted the Alamodome Economic Impact Study recently conducted by Economist Dr. Steven Niven of the SABER Research Institute. The study indicates that since 2003, the Alamodome has had an overall economic impact of over \$1.7 billion and supported 18,000 full-time equivalent jobs over the 10-year period. She noted that the economic impact to State and Local Government was \$114,193,411 and to the Federal Government was \$116,172,683. She stated that the Alamodome was a valuable, multi-dimensional venue that would continue to be a valued asset to San Antonio in the future. She added that they were planning a celebration to commemorate the milestone in conjunction with a UTSA Home Football Game and would provide more details closer to the event.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 11:15 am.

APPROVED



**JULIÁN CASTRO
MAYOR**

Attest:



LETICIA M. VACEK, TRMC/MMC
City Clerk