

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

**A BUDGET WORK SESSION OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO WAS HELD IN THE MUNICIPAL PLAZA BUILDING, TUESDAY, AUGUST 21, 2012, WEDNESDAY, AUGUST 22, 2012, AND THURSDAY, AUGUST 23, 2012, RESPECTIVELY.**

The San Antonio City Council convened in a Budget Work Session at 2:00 pm Tuesday, **August 21, 2012**, in the Municipal Plaza Building with the following Councilmembers present: Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro.

Mayor Castro announced the recess of the meeting at 2:12 pm to convene in Executive Session for the purpose of:

**A. DISCUSS LEGAL ISSUES RELATED TO CIMS PROPOSED PROJECTS, PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**

Mayor Castro reconvened the meeting at 3:11 pm and announced that the City Council had been briefed on the above-styled matter but did not take any action.

**1. STAFF PRESENTATION ON THE FY 2013 PROPOSED BUDGET FOCUSING ON, BUT NOT LIMITED TO, THE FOLLOWING CITY DEPARTMENTS:**

**A. CAPITAL IMPROVEMENT MANAGEMENT SERVICES AND DEBT PLAN**

Mike Frisbie, CIMS Director stated that the CIMS Department was responsible for overseeing the majority of Capital Improvement Projects (CIP) to include the Bond Program, Public Safety Project, and Municipal Facilities. He highlighted the FY 2012 Bond Program approved by voters on May 12, 2012 and reported that Web Portal Software had been replaced with COSA PrimeLink. He estimated that 98% of 2007 Bond Projects would be completed or under construction by the end of 2012. He reported that 5,000 acres of land were estimated to be protected under the Edwards Aquifer Protection Program in FY 2012 and projected an additional 15,000 acres in FY 2013. He provided a six-year budget history of expenditures and revenues ranging from \$11 million in FY 2008 to \$19 million in FY 2013. He reported that eight positions would be added in FY 2013 for the management and oversight of the Convention Center Expansion Project.

Mr. Frisbie provided an overview of the Six-Year Capital Budget noting that \$636 million would be spent in FY 2013. He explained that all capital projects were reviewed and evaluated annually as part of the Budget Development Process and were adjusted as necessary. He reported that nine 2007 Bond Projects would be completed in FY 2013 and the remaining two projects would be completed in FY 2014. Within the 2007 Bond Savings Projects, he stated that 22 were in the Pre-Design Phase; three were in construction; and one project was complete. He spoke of the 2012-2017 Bond Program noting that there were 140 projects totaling \$596 million. He provided a

projected spending timeline for the projects and mentioned that 62% of the funds would be spent by FY 2015.

Mr. Frisbie added that \$136 million in Certificates of Obligation would be utilized in FY 2013 for projects that include the Northwest Service Center; Fire Station Replacement; and Riverwalk Improvement Project. He reported that the proposed budget includes \$18 million from pre-2007 Bond Balances that would be utilized for Infrastructure Improvements; Education Excellence Facilities; and Fire Station 32. He noted that the Service Center Strategic Plan reduces the number of service facilities from seven to four. He added that the CIP includes \$15 million in Linear Greenway Trails Projects and \$38 million in Edwards Aquifer Recharge Zone Projects.

Ben Gorzell presented the Debt Management Plan and outlined the types of debt issued by the city: 1) General Obligation Bonds; 2) Certificates of Obligation; 3) Tax Notes; and 4) Revenue Bonds. The overview of the Outstanding Debt as of September 30, 2012 totaled \$2.1 billion. He highlighted the bond ratings by Rating Agency, noting that AAA was the highest that could be awarded and outlined the city's bond ratings by project. He spoke of the FY 2012 Refinancings that would provide total savings of \$23.9 million for the city. He reported FY 2012 New Issuances: \$148 million in General Improvement Bonds; \$19.3 million in Combination Tax and Revenue Certificates of Obligation; and \$17.6 million in Tax Notes with a total combined true interest cost of 2.50%. He spoke of the Public Facilities Corporation Issuance that would occur in October 2012 totaling \$544 million that will be utilized to fund the Convention Center Expansion and refinance existing Hotel Occupancy Tax Debt. He stated that staff managed multiple debt management plans for the Ad Valorem, Airport, Convention Center, and Municipal Drainage Utility System; as well as other financings.

Mr. Gorzell outlined the Ad Valorem Debt Management Plan and stated that San Antonio was the only city with a population of more than one million to receive a "AAA" General Obligation Rating from all three major rating agencies. He highlighted FY 2012 Refinancings, New Issuances, and Upcoming Transactions. He indicated that growth in Taxable Assessed Values was based on scales ranging from 1.61% in FY 2013 to 2.00% from FY 2018-2021. He stated that key variables in the Ad Valorem Debt Management Plan include estimated tax collections of 97.5% and five-year authorizations. He outlined the 2007 and 2012 Bond Programs Debt Management Plans totaling \$550 million and \$596 million, respectively. He reported that the Proposed Tax Rate for FY 2013 was \$0.56569 per \$100 valuation.

Councilmember Chan thanked staff for their work in managing the city's capital projects. She asked of the main increases in the department budget. Mr. Frisbie replied that they had initially relied more heavily on the General Fund to close out projects without funding but had reduced their reliance on the General Fund to make the Capital Improvement Program (CIP) self-sustaining. Ms. Sculley added that capital projects should be covering the personnel costs for project management. Councilmember Chan asked of the personnel. Mr. Frisbie replied that 16 new positions were added in FY 2009 to support increased project management with the 2007 Bond and additional Aviation Projects and 20 positions were assigned to CIMS due to city reorganization. Councilmember Chan asked of the increase in the budget from FY 2011 to FY 2012. Maria Villagomez replied that it was due to the transfer of Asset Management Staff to the CIMS Department. Councilmember Chan requested a breakdown of the CIMS Staff. She spoke of the importance of the Project Management

Team and ensuring that taxpayer funds are used appropriately. She asked of the \$1.2 million increase from FY 2012 to FY 2013. Ms. Villagomez replied that a large portion of the increase was for eight positions added to support the Convention Center Expansion Project. Mr. Frisbie added that \$250,000 was included for a new Portal System. Councilmember Chan asked why a new Portal System was necessary. Mr. Frisbie replied that the previous system was seven years old and had served its life. He stated that the new Portal System was implemented in April and had received approval for its purchase by City Council. Councilmember Chan requested a breakdown of the \$1.2 million increase in the budget. She asked of the Program Management for the Convention Center Expansion Project. Mr. Frisbie replied that they hoped not to exceed \$8 million in Project Management Costs. Councilmember Chan requested a copy of the Request for Proposals for the Convention Center Expansion Project.

Councilmember C. Medina asked how the city could ensure selection of good contractors. Mr. Frisbie replied that staff utilized a Score Card for project consultants and contractors. He stated that they were evaluated by the Project Team and given a score which was factored into future selections. Councilmember C. Medina asked of the outreach provided to citizens prior to project implementation. Mr. Frisbie responded that a member of the Project Management Team worked closely with the Council Offices and Neighborhood Associations to get information out to the affected residents.

Councilmember Williams recognized the Finance Staff for their work and stated that he hoped that the citizens recognized the great amount of savings achieved through efficient debt management.

Councilmember Bernal spoke of the importance of getting the most for funds utilized on projects that are not part of the Bond Program such as the \$800,000 per Council District for Infrastructure Improvements. Mr. Frisbie noted that staff utilizes On-Call Contractors that can perform smaller projects without a great expense.

Councilmember Lopez asked how staff coordinated city projects with private development. Mr. Frisbie replied that staff had conducted outreach with other departments prior to the Bond Program regarding current projects in which funds could be leveraged.

Councilmember Soules asked of the new Service Centers. Mr. Frisbie replied that the Northwest Service Center was funded several years ago and staff had been working on site selection and construction. He stated that the Leslie Road Service Center was a proposed new site. Councilmember Soules expressed concern that this was the first mention of such project estimated at \$35 million. He asked how much would be generated by the proposed increase to the Stormwater Fee. Majed Al-Ghafry replied that \$4.5 million would be generated annually. Councilmember Soules requested more details on the project and asked of the decommissioning of the facilities. Mr. Frisbie replied that they had a database of the parcels that were not utilized by the city that could be auctioned. Mike Etienne stated that they had identified 1,200 vacant city lots that could be sold and had an appraised value of \$5 million. Councilmember Soules asked how the \$800,000 per district for Infrastructure Improvements could be utilized. Ms. Sculley replied that it was the discretion of the City Council.

Councilmember Ozuna asked of Tax Increment Financing (TIF). Mr. Gorzell replied that to date, the city has not issued any Tax Increment Reinvestment Zone (TIRZ) Revenue Bonds but mentioned the Brooks TIF that was utilized for the reconstruction of New Braunfels Street. He stated that Certificates of Obligation were issued for Brooks to lower their cost of borrowing and used TIF Revenues to pay for the financing. He mentioned the Houston Street TIF in which Certificates of Obligation were issued 10-15 years ago and stated that there was a guarantee in place from the developer in the event that the TIF could not support the debt. Councilmember Ozuna asked of the reduction of Service Centers. Mr. Frisbie replied that they planned to reduce seven existing Service Centers to four and would not close any sites until the new facilities were available.

Councilmember Saldaña asked if projects would cost more if CIMS managed the projects compared to Public Works. Mr. Frisbie replied that the projects would cost the same but each department had different capacity. Councilmember Saldaña asked of the benefits of having a City Project Management Team. Mr. Frisbie replied that it helps with items such as preparing a Request for Council Action for items that need to be taken to the City Council as well as ensuring contract compliance. Ms. Sculley added that city staff would still be needed to monitor outside project managers and that CIMS Staff worked to ensure that projects were on time and within budget. Councilmember Saldaña asked of the Total Combined True Interest Cost of 2.50%. Mr. Gorzell replied that the market had shifted a bit and that the true interest cost was closer to 3.5% for 30-year bonds.

## **B. PUBLIC WORKS**

## **C. DOWNTOWN OPERATIONS**

### **RECESSED**

Mayor Pro Tem Saldaña adjourned the Budget Work Session at 5:03 pm until August 22, 2012.

The San Antonio City Council convened in a Budget Work Session at 2:00 pm Wednesday, **August 22, 2012**, Municipal Plaza Building with the following Councilmembers present: Bernal, Taylor, Ozuna, Saldaña, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro.

### **1. STAFF PRESENTATION ON THE FY 2013 PROPOSED BUDGET FOCUSING ON, BUT NOT LIMITED TO, THE FOLLOWING CITY DEPARTMENTS:**

#### **A. LIBRARY DIRECTOR AND LIBRARY BOARD OF TRUSTEES CHAIR**

Item A was not addressed.

#### **B. HUMAN SERVICES/DELEGATE AGENCIES**

Gloria Hurtado provided an overview of the Human Services Department noting that they provided Head Start, Child Care, Family Assistance, and Senior Services. She stated that they monitored Consolidated Funding Contracts totaling \$23.1 million for 59 agencies and 93 programs. She reported that all Head Start non-compliance and deficiencies had been corrected and that a Senior

Services Strategic Plan had been implemented. She highlighted FY 2012 Performance Measures in which they estimate exceeding the number of Café College Participants served. She stated that the FY 2013 General Fund was being reduced by \$1 million and five positions were recommended for elimination. She reported that the Department Goals and Human Development Consolidated Funding were aligned with SA2020 Vision Areas of Education, Family Well-Being, and Community Safety Net. She highlighted FY 2013 Priorities that include the Head Start Transition to Pre-K 4 SA and Senior Services System Improvements.

Ms. Hurtado spoke of the Consolidated Funding Process noting that all funding pools were combined into a single Request for Proposals (RFP). She stated that funding priorities were established by the City Council through a ballot process and that funding totaled \$23.1 million. She noted that the RFP was issued on March 2, 2012 and was due on April 3, 2012. She reported that 70 Human Development Agencies submitted 163 programs for a total request of \$30.5 million and included three city departments submitting five programs. She outlined the evaluation process in which 10 panels totaling 51 members evaluated the proposals. She stated that the recommendations were based on: Proposal Score; Current Contract Performance; SA2020 Alignment; and Consideration of Current Funding. She noted that 60 Agencies providing 110 Programs were recommended for funding. She mentioned that funding for Haven for Hope for FY 2013 totaled \$9,786,861 and slightly increased from FY 2012.

Rene Dominguez, Economic Development Director presented the Workforce Development Funding and reported that six Workforce Development Agencies submitted eight proposals. He stated that funding was recommended as follows: 1) Alamo Community College District - \$203,509; 2) Project Quest - \$1,216,886; 3) Goodwill - \$114,493; and 4) Dress for Success - \$80,000. He noted that the Workforce Development Agencies recommended for funding would enhance participant opportunities.

Mayor Castro thanked staff for their presentations and asked of Café College. Ms. Hurtado replied that the goal was to serve 17,500 students but estimated serving 22,000 students in FY 2012. Mayor Castro asked of the funding for Haven for Hope. Ms. Hurtado replied that San Antonio Metropolitan Ministries (SAMM) currently monitors the dormitories at Haven for Hope but will no longer do so. She stated that the funds will be shifted to Haven for Hope to provide those services. Mayor Castro asked of the funding for St. Vincent de Paul. Ms. Hurtado replied that they were recommended for funding at \$50,000 and would have a smaller presence at Haven for Hope.

Councilmember Chan thanked staff for the presentation and for their work in the community. She commented on the possibility of consolidating similar programs so that there is less overhead for management and more funding for participants.

Councilmember Lopez thanked staff for their work and stated that he would like to understand the lower than expected scores of various agencies such as the Girl Scouts and Children's Museum. He spoke of the challenges with city transportation and asked of coordination with the Alamo Area Council of Governments (AACOG). Ms. Hurtado replied that 67% of the department's transportation budget was provided by AACOG. She added that city staff participated on various committees to address regional transportation planning.

Councilmember Ozuna thanked staff for their work and spoke of the great scope of the task of awarding Delegate Agency Contracts. She noted her concern that the rating system did not account for overlap or gap in service. She also expressed concern with the direct programming versus administrative costs and added that it should be scored in the future.

Councilmember Saldaña asked of the reduction in scoring for the San Antonio Food Bank SNAP Program. Ms. Hurtado replied that they did not recommend funding the SNAP Program but recommended more funding for the Senior Commodities Program. She stated that the SNAP Program receives State and Federal Funds and that not funding the program was not a reflection of the quality of work for the Food Bank.

Councilmember C. Medina asked of the \$922,000 in Workforce Readiness Funds for Haven for Hope. Ms. Hurtado replied that it was for Residential Monitoring that was previously provided by SAMM and would now be provided by Haven for Hope. Councilmember C. Medina noted the funds requested by San Antonio OASIS and asked how the applications were scored. Ms. Hurtado replied that the proposals were scored by a panel and looked at providing the same level of services in FY 2013. Councilmember C. Medina spoke of the great work that San Antonio OASIS provides and asked that staff identify \$5,000 to fill their funding gap. He asked of the selection of meals provided for seniors at the Nutrition Sites. Ms. Hurtado replied that they survey the seniors and also receive verbal feedback. She stated that seniors were pleased that they were able to select an entree and with the improved quality of the food. Councilmember C. Medina asked of the partnerships with other agencies throughout the community. Ms. Hurtado responded that a Volunteer Coordinator was being hired to address potential partnerships and would begin with senior services.

Councilmember Bernal stated that there was great potential to further partner with the faith-based organizations and asked of the scoring for delegate agencies. Ms. Hurtado replied that the proposals were rated in four categories and explained the discretion utilized to include maintaining current funding levels. Councilmember Bernal asked of the policy regarding delegate agency budgets. Ms. Hurtado replied that for agencies recommended for funding of less than \$1 million; at least 50% of their funding must be provided by other sources. For agencies recommended for funding of more than \$1 million; they can only receive 35% of their total funding from the city. Councilmember Bernal asked of the scoring for Workforce Development Funding. Mr. Dominguez replied that it was scored by the Economic Development Department and was listed on Tab 8 of the binder provided to the City Council. Councilmember Bernal asked that geography and capacity be kept in mind when making funding decisions. He asked of the three city departments applying for funds. Ms. Hurtado replied that the city had discretion on allocating the Community Development Block Grant (CDBG) Funds it received and would provide them to three city departments.

Councilmember Williams stated that much of the scoring for delegate agencies was subjective and recommended that a more objective method be identified in the future. Ms. Hurtado replied that they had worked to make the scoring process more objective and would continue to make improvements. Councilmember Williams stated that it was important to explain the scoring to the delegate agencies and noted the challenge for new agencies requesting funds. He mentioned the possibility of further breaking out the categories.

Councilmember D. Medina confirmed that there were no changes to Haven for Hope Funding. Ms. Hurtado confirmed that there was a shift in funding from SAMM to Haven for Hope to provide the same service. Councilmember D. Medina asked of the reduced funding for the Boys and Girls Club At-Risk Program. Ms. Hurtado replied that the Boys and Girls Club provided great programs and that they had only reduced their total funding by \$1,800 due to lack of funds. She added that they had proposed a new program that was not recommended for funding. Councilmember D. Medina asked of the funding for Any Baby Can. Ms. Hurtado replied that staff recommended funding one of the two programs they requested.

Councilmember Soules asked of the budget allocated for senior services in FY 2012 and FY 2013. Ms. Hurtado replied that \$9 million was allocated in the departmental budget for seniors and \$1.3 million for Delegate Agency Funding. She noted that \$5 million of the \$9 million was allocated for meals for seniors. She highlighted the new Senior Center that would open in District 10 and indicated that appropriate staffing levels had been identified. Councilmember Soules spoke of staffing challenges for senior services and asked of the CHANCE Program. Ms. Hurtado stated that it was a summer youth training program provided by three service providers including the George Gervin Youth Center. She noted that they worked with teens to give them workforce exposure and that youth from all Council Districts could participate in the program. Councilmember Soules asked of the funding recommended for Project Quest and the Department of Labor (DOL) Grant they received. Mr. Dominguez replied that Project Quest had requested \$2 million and staff was recommending \$1,216,886 for FY 2013. He stated that he was not familiar with the terms of the DOL Grant and that their proposed budget had increased to \$4 million.

Mayor Castro thanked staff for their presentations.

Ms. Sculley recognized Deputy City Manager Pat DiGiovanni for his work and announced that he had accepted a position with the Centro Partnership as their Executive Director. The City Council thanked Mr. DiGiovanni for his work.

## **PUBLIC WORKS**

Majed Al-Ghafry presented an overview of the Public Works Department noting that it was reorganized in FY 2012 into three core functions: 1) Planning & Engineering; 2) Operations & Maintenance; and 3) Program Compliance. He reported that they had utilized a proactive approach to maintain good, structurally sound streets to prolong their lifecycle. He stated that since FY 2007; over 65 miles of sidewalks had been completed. He spoke of the Traffic Signal System Modernization (TSSM) Program that maximizes the flow of traffic and reduces traffic delays and accidents. He noted that since 2008, 12 Quiet Zones had been initiated with 77 railroad crossings impacted.

Mr. Al-Ghafry outlined the FY 2013 Proposed Budget that is being increased by \$23.1 million and 11 positions are being added. He highlighted initiatives that include an additional \$4.5 million for Street Maintenance and continued Pavement Preservation of 150 miles. Within Advanced Transportation District (ATD) Funds, he reported that \$12.8 million in revenue was projected for FY 2013. He indicated that \$10.1 million in projects were proposed for FY 2013 and includes \$6 million for Sidewalks and \$2.8 million for Intersection Improvements.

Mr. Al-Ghafry reported that Storm Water Revenues totaled \$38 million in FY 2012 and \$43 million was projected for FY 2013. He stated that this was due to a 50-cent proposed rate increase to the Residential Storm Water Fee that would generate \$4.5 million in additional revenue. He noted that \$963,000 would be used for mowing and median improvements and \$3 million would be allocated to street sweeping. He mentioned that the Right-of-Way Inspection Fee would be revised from a standard \$240 fee per inspection to a tiered fee of \$120 for a Point Repair; \$60 for Re-Inspection; and \$60 per day per Project Permit. He reported that this would generate additional revenue in the amount of \$625,000. He stated that three Right-of-Way Inspectors would be added to increase service response time to one hour. He spoke of the Lorence Creek Channel Improvements that will remove 24 structures from the FEMA Floodplain and construct an earthen channel at a cost of \$6.2 million. Lastly, he stated that they would continue to focus on initiatives that improve multiple modes of transportation and minimize congestion.

Councilmember Bernal thanked staff for their work and asked of the Infrastructure Management Program (IMP). Mr. Al-Ghafry replied that the new IMP utilized video and structural equipment to rate the condition of streets and that staff would be using new applications to address streets.

Councilmember Williams complimented staff on their signal work and stated that he hoped that the signalization along Commerce and Market Streets would remain efficient. He asked of the collection of the Stormwater Fee. Mr. Al-Ghafry replied that San Antonio Water System (SAWS) collected the Stormwater Fee on behalf of the city and confirmed that staff was recommending a 50-cent monthly increase to the fee. Councilmember Williams noted that there were some categories whose Stormwater Fee would be increased by more than 50 cents per month. He spoke of the great need to mow channels and asked why more funding was being allocated to street sweeping. Mr. Al-Ghafry replied that the funds would be utilized to purchase nine additional sweepers.

Councilmember C. Medina asked of the cycles for mowing channels. Mr. Al-Ghafry replied that they were increasing the number of cycles from four to six annually. He confirmed that city staff performed the mowing and that contractual work would be shifted to creekway cleaning. Councilmember C. Medina asked of the status of the traffic signalization along Bandera Road. Mr. Al-Ghafry responded that they were re-timing the top 50 streets in the city and included Bandera Road. He reported that portions of Bandera Road were located in the City of Leon Valley which had different signalization system. Nonetheless, he indicated that staff is working closely with the City of Leon Valley and the Texas Department of Transportation (TxDOT) to coordinate the various systems. Councilmember C. Medina stated that he would like to have additional flexibility regarding Neighborhood Access Mobility Program (NAMP) Funds to be able to address needs as they arise.

Councilmember Chan commended the Public Works Department and stated that she was pleased with the services provided to her constituents. She spoke in support of the Pavement Preservation Program and noted that she was pleased that staff was utilizing Thermoplastic. She asked that there be discussion with the development community regarding the impact of the increase in the Stormwater Fee.

Councilmember Soules commended Public Works Staff for their work. He asked of the increase to the Stormwater Fee for Commercial Properties and specifically, a three-acre property. Mr. Al-Ghafry replied that fees were assessed on a tier and would increase by approximately 11% for a three-acre property. Councilmember Soules expressed concern with the impact to small businesses.

Councilmember Lopez spoke of educating the public of the drainage ditches that the city was responsible for mowing, noting that his office received calls for service for those that did not belong to the city. He asked of the timeline for installing inlets in the Salado and Leon Creeks. Mr. Al-Ghafry replied that it would take 3-5 years and were currently validating those that were installed downtown in the San Antonio River.

### **C. CUSTOMER SERVICE/311**

Item C was not addressed.

### **RECESSED**

Mayor Pro Tem Saldaña recessed the meeting at 4:40 pm and announced that the City Council would reconvene the following day at 3:00 pm.

### **RECONVENED**

Mayor Pro Tem Saldaña reconvened the meeting on **August 23, 2012** at 3:30 pm and addressed the Library Budget.

### **ROLL CALL**

City Clerk Leticia M. Vacek took the Roll Call and noted a quorum of the Council with the following present: Bernal, Ozuna, Saldaña, D. Medina, Lopez, and C. Medina. **ABSENT:** Taylor, Williams, Chan, Soules, and Mayor Castro.

### **LIBRARY DIRECTOR AND LIBRARY BOARD OF TRUSTEES CHAIR**

Ramiro Salazar presented an overview of the San Antonio Public Library. He stated that the San Antonio Public Library serves San Antonio and Bexar County through the operation of the Central Library; 25 Neighborhood Libraries; one Bookmobile; and access to the Virtual Library. He reported that in FY 2012, they had 5.29 million visitors and 25,000 children and teens signed up for the Mayor's Reading Program. He outlined FY 2012 Accomplishments that include incorporating new technology such as iPads to enhance services and increase participation in the Every Child Ready to Read Initiative. He spoke of the Broadband Technology Opportunities Program that provided technology friendly furniture and equipment and upgraded IT Infrastructure at 14 libraries.

Mr. Salazar reported that the FY 2013 Library Budget totaled \$33.4 million, an increase of \$400,000 from FY 2012. He stated that capital investment in the libraries totaled \$59 million since FY 2003; \$7.7 million for Library Facilities Maintenance and \$51.3 million in Bond Funding. He outlined efficiencies for FY 2013 totaling \$295,389 through staff realignment associated with self-

serve stations. He mentioned the collaboration with the Customer Service/311 Department in which birth certificates and immunization records will be offered at four library locations. He stated that \$250,000 would be added to the budget for books and other materials and \$182,000 would be added to replace furniture and implement safety enhancements.

Mr. Salazar spoke of the Library Facility Assessment conducted in FY 2009 that identified \$167 million in facility maintenance needs. He reported that \$7.7 million had been invested since FY 2010 and \$1.5 million would be spent in FY 2013. He stated that they would continue to provide safe and user-friendly spaces to protect taxpayer investments. He added that their focus areas for FY 2013 included supporting SA2020 Goals and implementing Library Strategic Plan Initiatives. He introduced Ms. Jean Brady, Chair of the San Antonio Public Library Board of Trustees.

Ms. Brady thanked the City Council for their support and stated that they were in the process of implementing the initiatives identified in the Library Strategic Plan and one of the main goals was to support learning and early literacy readiness. She spoke of the Every Child Ready to Read Program and reported that they had conducted 221 Early Literacy Workshops; 77 Play and Learn Programs; and conducted 600 Childcare Classroom Visits. She noted that The JASON Project was implemented in 2012 through donations and corporate sponsorships and was intended to spur interest in Science, Technology, Engineering and Math for teens. She spoke of tutor.com that offers live, homework tutoring and all that was required to utilize the service was a library card and Internet Access.

Ms. Brady highlighted the hardware utilized by the library to provide services including kiosks, laptops, Wi-Fi Hotspots, eBooks and music. She reported that a cell phone application was created that allows individuals to text questions to city staff and that individuals can check out iPads for use within the library. She recognized the Friends of the San Antonio Public Library and the San Antonio Public Library Foundation for their generous donations to the library. She commended the San Antonio Food Bank for providing lunches and snacks to children and teens and noted that they had been recognized with two awards for the Library's Teen Healthy Eating Program. She mentioned that they looked forward to the opening of the Briscoe Western Art Museum that would house a History Portal. She stated that they were pleased that funding had been allocated in the 2012 Bond Program to improve current libraries and open two new branch libraries.

Mayor Pro Tem Saldaña thanked Ms. Brady and the Library Board for their work.

Councilmember C. Medina thanked Jean Brady and the Library Board for their work and asked of the cost of the kiosks he had observed at Maverick Library. Mr. Salazar replied that they were acquired through a grant and cost \$300 per month to lease. Councilmember C. Medina requested a breakdown of the usage of the kiosks and that staff identify potential funding sources once the grant has expired. He asked of the concept of a library outlet and if one could be implemented at Woodlawn Lake. Mr. Salazar replied that the Library Strategic Plan encourages staff to identify other ways to serve the community. He noted that in smaller communities, library outlets could be utilized instead of a branch library. Councilmember C. Medina asked if senior volunteers are utilized at libraries. Mr. Salazar referenced the Library Strategic Plan regarding engaging volunteers and stated that they could utilize seniors to support library efforts.

Councilmember Ozuna commended staff for their work on the Mission Branch Library and stated that she was pleased with the broadband access provided to the community. She expressed concern that some of the digital feeds at libraries were not platform neutral and were locked to a particular vendor.

Councilmember Bernal stated that he frequently utilized the free Wi-Fi provided at the Westfall Branch Library. He asked of the deferred maintenance for the libraries. Ms. Sculley stated the funding for deferred maintenance was removed from the Bond Program and would be addressed through the General Fund. Councilmember Bernal spoke of educational outcomes and noted that the City Councilmembers could help get the word out to the community about the library services available. He asked of new initiatives that needed to be addressed over the next few years. Mr. Salazar replied that he was a little concerned with the growth of the eBook and were looking at better ways to deploy materials. Councilmember Bernal requested that the City Council be kept abreast of new initiatives and needs to ensure a seamless transition.

Councilmember D. Medina asked of the Central Library Parking Garage. Mr. Salazar replied that the Downtown Operations Department managed the parking garage. Councilmember D. Medina asked of the funds generated by the parking facility and the number of parking spaces. Ms. Sculley replied that they would provide that information to the City Council. Councilmember D. Medina spoke of the potential of utilizing parking funds for maintenance of the infrastructure in the immediate area. He asked of the Interlibrary Loan Program. Mr. Salazar replied that the program was funded by State Funds and would not be funded after 2013. He indicated that they would perform a more detailed analysis of the program and that \$90,000 was provided to operate the program in 2013. Councilmember D. Medina requested that staff look at ways to potentially fund the program in the future.

Councilmember Lopez spoke of the homework hotline and highlighted the importance of the program. He noted that although a great number of people were moving to eBooks, many were still reading hard copy books.

Mayor Pro Tem Saldaña stated that not all libraries had marquees and recommended that banners be utilized to advertise special programs offered by the libraries.

### **CUSTOMER SERVICE/311**

Tony Bosmans highlighted FY 2012 Accomplishments noting that they had fully implemented the Customer Relationship Management (CRM) that was user friendly and provided online accessibility. He reported that they had received 352,000 service requests since implementation on October 17, 2011 and that 91% of requests were completed on time. He stated that the Call Centers had been rated Number 1 in Customer Satisfaction for Call Centers in comparable cities. He noted that they have an 85% answer rate and that each representative receives 20 calls per hour. He provided a 10-Year Budget History and noted that the budget for FY 2013 was being reduced by \$540,000. He mentioned that one vacant Administrative Position was recommended for elimination.

Brian Layton of Innovation and Reform provided a 311 Facility Overview. He stated that based on their analysis, they believed that significant savings could be achieved by eliminating three leased

Community Link Centers. He reported that birth certificates and immunizations made up 50% of the services provided and that they had spoken with the customers utilizing the services. He noted that most people used the Link Centers once per year and many people pay in cash. He stated that walk-in transactions at the Link Centers had declined with 40% less than in 2007.

Based on their findings, Mr. Layton recommended that an updated business model be implemented in which the Oak Ridge, City Base, and South Park Link Centers would be closed. He stated that Birth Certificates and Immunization Records could be provided via mail, Internet, the main Vital Statistics Office and that staff would provide seasonal access at four libraries. These four libraries are: Thousand Oaks, Great Northwest, Cortez, and McCreless Libraries. In regard to Municipal Court Tickets and Fines; he reported that they could be accessed via mail, online, Municipal Court Office and the Kiosk Pilot Program. He mentioned that Police Reports could be accessed online, Public Safety Headquarters, or the Las Palmas and Valley View Link Centers. He reported that Licenses and Permits could be accessed online or at the One Stop and that Garage Sale Permits could be purchased at HEB Grocery Stores. He added that Park Reservations could be made at Las Palmas and Valley View and that an online reservation system was planned to be implemented in 18-24 months.

Mr. Layton concluded by noting that communication on the changes would be provided to the community via printed materials and on the City Website. He stated that coordination for seasonal access for documents would be coordinated with Library Staff and the School Districts prior to back-to-school registration.

Councilmember Lopez thanked staff for their work on the CRM Project. He stated that he was pleased that service requests were maintained within one database and could be tracked.

Councilmember Ozuna thanked staff for their work and stated that she was also pleased with the easy accessibility to data in the CRM System. She expressed concern with moving services for seasonal demand from the Link Centers since there was limited access at McCreless Library. She recommended also utilizing the Mission Branch Library.

Mayor Pro Tem Saldaña asked of the services from South Park Mall that would be shifted to the libraries. Mr. Layton confirmed that only the services related to Birth Certificates and Immunization Records would be shifted. Councilmember Saldaña suggested that confirmation be emailed or texted to accommodate individuals that are reporting information to 311.

Councilmember D. Medina stated that many District 5 Constituents utilize the Community Link Center at South Park Mall and would like to have additional discussions regarding shifting services. He noted that many individuals speak Spanish and may feel more comfortable visiting the Link Centers rather than accessing information or data online.

Mayor Pro Tem Saldaña thanked staff for their presentations.

**ADJOURNMENT**

There being no further discussion, Mayor Pro Tem Saldaña adjourned the Budget Work Session at 5:11 pm.

**APPROVED**



**JULIÁN CASTRO**  
MAYOR

Attest:



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