

**CITY COUNCIL GOVERNANCE COMMITTEE MEETING
Minutes**

**February 4, 2009
2:00 p.m.
Media Briefing Room**

Council Present:	Mayor Phil Hardberger, <i>Chair</i> Councilmember Mary Alice Cisneros, <i>District 1</i> Councilmember Delicia Herrera, <i>District 6</i> Councilmember Justin Rodriguez, <i>District 7</i> Councilmember John Clamp, <i>District 10</i>
Staff Present:	Sheryl Sculley, <i>City Manager</i> ; Pat DiGiovanni, <i>Deputy City Manager</i> ; A.J. Rodriguez, <i>Deputy City Manager</i> ; Sharon De La Garza, <i>Assistant City Manager</i> ; Richard Varn, <i>Chief Information Officer</i> ; Michael Bernard, <i>City Attorney</i> ; Leticia Vacek, <i>City Clerk</i> ; Janie B. Cantu, <i>Purchasing and General Services Director</i> ; Laurence Doxsey, <i>Environmental Policy Director</i> ; Ben Gorzell, <i>Finance Director</i> ; Robert Peche, <i>Economic Development Director</i> ; Rod Sanchez, <i>Planning and Development Services Director</i> ; Peter Zaroni, <i>Management and Budget Director</i> ; Martha Sepeda, <i>First Assistant City Attorney</i> ; Joe Nino, <i>Deputy City Attorney</i> ; Chris Looney, <i>Planning and Development Services</i> ; Bill Mattox, <i>Public Utilities</i> ; Richard Mendoza, <i>Public Works</i> ; Jeff Pullin, <i>Public Utilities</i> ; Aaron Stein, <i>Office of Environmental Policy</i> ; Sarah Cazares, <i>City Manager's Office</i> ; Mona Gamez, <i>City Manager's Office</i> ; Mandy Milam, <i>Office of the City Clerk</i>
Others Present:	Robert Cash, <i>Texas Coalition for Fair Trade Director</i> ; Jill Christie, <i>KTSA</i> ; Lucero Hernandez, <i>Sweatfree SA</i> ; Chuck Saxer, <i>North-side Neighborhoods for Organized Development (NNOD) President</i>

CALL TO ORDER

Mayor Hardberger called the meeting to order.

I. Approval of minutes from the meeting of December 3, 2008

Councilmember Herrera moved to approve the minutes of December 3, 2008 as submitted. Councilmember Rodriguez seconded the motion. The motion carried unanimously.

II. Items requiring individual briefing(s)

- A. Presentation by staff regarding the CIED Guidelines and recommendation. Presented by Robert Peche and Ben Gorzell.

- Request by Councilmember John G. Clamp, District 10, requesting an analysis and reestablishment of the Community Infrastructure and Economic Development (CIED) Fund.

Ms. Sculley presented the history of the CIED Fund. She explained that it was created in 1993 and set aside 1% of all electric base revenue each month to fund overhead conversion projects. She stated that in January 2005, the Fund expanded to include economic development and environmental sustainability projects. She added that the Fund had accumulated a balance of \$44 million by late 2005 and the Mayor had asked her and the City Attorney to work with CPS to gain access to those funds as well as establish an ongoing contribution by CPS to the Fund. She added that there was \$5.2 million left in the Fund and staff recommendation was to utilize it for further undergrounding utilities. Ms. Sculley asked whether or not to dedicate the 1% to undergrounding utilities in the 2010 Budget and beyond. That would be discussed when the 2010 Budget is to be considered.

Councilmember Clamp noted that the members of the Economic and Community Development Council Committee had agreed to leave the 2009 Budget as is and talk about the 1% as it pertains to the 2010 Budget. He added that it would also be beneficial to review the guidelines for CIED Funds at that time and asked if there would be a B Session on said item. Ms. Sculley mentioned that said item was scheduled for Executive Session on February 19, 2009.

Councilmember Rodriguez asked how the 2009 projects would be prioritized. Mr. Peche reported that the \$5.2 million was the result of savings from projects that had been committed to previously. Staff proposed that the Economic and Community Development Council Committee establish a 2009 Program to fund the projects. It was noted that program guidelines had been approved by Council and staff was collaborating with CPS to refine the scope of the projects so that they fit into the \$5.2 million budget. Mr. Peche added that staff anticipated that it would be possible to fund all projects as some were part of larger multi-phase projects.

Councilmember Herrera noted her concerns with funding "money-pit" projects. She stated that she would prefer the monies be spent on completing a project 100% rather than phases. She also spoke of the matching funds issue and asked if time periods would be provided. Mr. Peche replied that all the projects had different scopes, but staff could better validate the funding by refining the scopes. Mr. Gorzell stated that if Council decided to reestablish the overhead conversion fund, they may want to include the types of projects to fund in the criteria.

No action was required on said item.

- Request by Councilmember Sheila D. McNeil, District 2, requesting an ordinance authorizing the allocation of CPS Energy Community Infrastructure Economic Development (CIED) funds in the approximate amount of \$1.2 million necessary for infrastructure repairs at Martin Luther King Park, the proposed site for Wheatley Heights Amateur Sports Complex project.

Mr. Peche reported that said project was requesting \$1.2 million in road and bridge improvements. He stated that Economic Development and Public Works staff had worked to formulate alternative ways of funding the request.

Mr. Mendoza stated that the proposal from Pape Dawson Engineers to install box culverts could be closer estimated at \$3.1 million and that it would only reduce the height of the water over the road to twelve feet and eight feet for the 100 year storm and the 10 year storm plans respectively. Since the benefits did not substantiate the cost, staff alternatively looked at sites to the north of the proposed park.

Mr. Mendoza stated the first alternative had access to the TxDOT right-of-way, but there was no way to install the access. The second alternative was to construct an entrance road to the IH10 E access road which would follow an existing service road of an adjoining collector street. He stated that estimates for improvements were approximately \$150K. Staff recommendation was that the access only be utilized in times when the primary access was not available. Mr. Mendoza added that staff was evaluating funding sources, including CDBG Funds.

No action was required on said item.

- B. Presentation by staff regarding a request by Councilmember Diane G. Cibrian, District 8, requesting consideration of the development of the San Antonio Green Award for community builders. Presented by Richard Varn and Laurence Doxsey.

Mr. Varn noted that staff was in the implementation phase of said item. He stated that with existing Office of Environmental Policy funds and the aid of an outside party, applications for the award had been vetted. Mr. Doxsey noted that the First Annual San Antonio Green Award was set to be presented on April 17, 2009. He added that the Award reinforced the work of the Sustainability Task Force by recognizing building performance in the community.

Councilmember Rodriguez mentioned that there was a showcase of homes in District 7 and at least one of the homes was going to be completely LEEDS Certified. He added that he would like to nominate that individual for the Award.

Councilmember Clamp asked if it was a monetary award and if there was a budgetary impact. Mr. Doxsey replied that it was a recognition. Mr. Varn added that there was a budgetary impact of approximately \$10K if the City continued to contract assistance in evaluating the applications. Mr. Doxsey added that the fee included advertisements, evaluations, scoring, and program design. He mentioned the possible additional costs for the awards ceremony.

Mayor Hardberger spoke of the Mayor's Architect Award. He stated that it could utilize the same process and this process would be free. Councilmember Clamp noted interest in said option and asked if the outside agency had already been contracted. Mr. Varn stated that the Metropolitan Partnership for Energy had been selected to help design the program and the categorical awards for a cost of \$10K. Mayor Hardberger stated that the Architects Award may be a viable option for the next year.

No action was required on said item.

- C. Presentation by staff regarding a request from Councilmember Mary Alice P. Cisneros, District 1, requesting a resolution to restrict the use of Sweatshop labor. Presented by Janie B. Cantu.

Ms. Cantu noted that at the December 3, 2008 Governance Meeting, the Committee had requested a definition for sweatshop labor. She stated the definition as "serious and repeated violations of laws of the jurisdiction within which the work is performed pertaining to: wages, employee benefits, health and safety, labor, environmental conditions, discrimination, harassment or retaliation, and freedom of association. In addition, it includes work performed by any person under a contract or subcontract that constitutes foreign convict or forced labor, or abusive forms of child labor or slave labor." She noted that a draft resolution was close to complete.

Councilmember Cisneros reiterated that it would be beneficial to have a resolution in the City's records and asked when the resolution would be ready. Mr. Bernard replied that the draft was ready, but his staff had questions regarding the City of Austin's rewrites of their existing Ordinance. He stated he would provide copies of the draft resolution in March. Mr. Bernard added that the resolution was not an enforcement tool, only a statement of expectations for vendors.

Councilmember Cisneros motioned to move forward with the Resolution in March.

Councilmember Clamp noted that a resolution was a positive thing as long as it did not require the City to police the shops. Mr. Bernard replied that the current resolution would only require an affirmation from the vendor. He added that many contracts were low bid or responsive bid as mandated by the State. Ms. Sculley stated that the program proposed by staff would be voluntary with no enforcement by staff.

Councilmember Clamp asked of any unanticipated risks. Mr. Bernard noted the troubles that the City of Austin was having in enforcing their ordinance. He stated that there were false expectations thus Austin was working on rewrites. Ms. Cantu noted that the Austin Ordinance was so strict that vendors were unable to comply.

Mayor Hardberger noted that resolutions often appear in lawsuits. He asked staff to be careful in drafting said item.

Councilmember Herrera noted the possible unintended consequences. She stated that she would like a full briefing so that she may be sure to catch anything which would negatively impact the small business community.

No action was taken on said item.

III. Council Consideration Requests

- A. Consideration of a request by Councilmember Justin Rodriguez, District 7, requesting that the Department of Environmental Policy construct a feasibility plan in direct effort to standardize the process for utility rate increase requests and considerations by elevating the scrutiny of each request through the Department of Environmental Policy consistent with the intent of the San Antonio Sustainability Plan.

Staff recommends that the Finance Department and the Office of Environmental Policy work together to develop a process for utility rate reviews that includes the expertise that can be provided by the Office of Environmental Policy.

Mr. Gorzell spoke of the current utility rate process, how it has changed, and what the plan of action would be to move forward. He stated that when SAWS or CPS are interested in increasing rates, the request begins with the Public Utilities division of the Finance Department. He stated that staff performs a comprehensive financial assessment and forwards their recommendation to the Council and City Manager. He added that the Office of Environmental Policy was focused on the sustainability and environmental plans of the City and were in constant communications with both SAWS and CPS. He stated that recently, the Office of Environmental Policy and Public Utilities staffs had coordinated issues concerning SAWS and CPS. Ms. Sculley stated that staff's intent was to strengthen the involvement of the Office of Environmental Policy in the process.

Councilmember Rodriguez noted that previously, rate increases were only evaluated from a fiscal perspective. He stated that with the Council's efforts on sustainability, it is important to include the Office of Environmental Policy in discussions on how the rate increases impact and comply with the City's Sustainability Plan. He added his appreciation for the feedback and his desire for a formalized plan to go before the full Council.

Councilmember Clamp expressed a void in the current process to communicate with Council relating to proposed SAWS/CPS rate increases. He noted that CPS had not had a rate increase in the past seventeen years and that SAWS was scheduled to have one in the near future. He added that it would be beneficial for the Council to understand water restrictions and conservation efforts in addition to the proposed rate increases.

It was noted that said item would return to the Governance Council Committee at a later date.

- B. Consideration of a request by Councilmember Sheila D. McNeil, District 2, requesting staff redefine the duties of the City's Urban Renewal Agency (also known as the San Antonio Development Agency) with authority to undertake the comprehensive implementation and oversight of BRAC-related growth recommended in the Growth Management Plan and the formation of a BRAC/Military City Council Committee.

Staff recommends referring said item to the Economic and Community Development Committee for consideration.

Mr. DiGiovanni stated that there was more work to do on the Urban Renewal Agency and provided alternative options. The first was that a local government corporation could possibly handle BRAC in the future. He also suggested either the formation of a Council Committee or a Subcommittee of the Economic and Community Development Council Committee. He recommended that the request for \$15.8 million in additional appropriations be part of the 2010 deliberations. He added that \$7.5 million had been dedicated to BRAC in the current fiscal year.

Councilmember Cisneros asked for an overview of the projects at BRAC. Mr. DiGiovanni replied that approximately \$44 million had been dedicated to roads in Phase I. He added that Phase II was unfunded at an additional \$42 million. Ms. Sculley noted that the projects were listed in the City's Stimulus Package. Mr. DiGiovanni stated that it had been recommended to begin the Phase III study and evaluation of additional roads. He noted that there was no cost estimate for Phase III.

Councilmember Cisneros asked what the \$15.8 million would be utilized for. Mr. DiGiovanni stated that in the Council Consideration Request, Councilmember McNeil requested \$750K for a public relations campaign. He added that a portion of that could be covered by \$2 million set aside in the Budget. He stated that \$8 million was the local match if the City was to obtain Federal Funding for Phase II.

Councilmember Herrera moved to forward said item to the Economic and Community Development Council Committee for consideration. Councilmember Cisneros seconded the motion. Motion carried unanimously.

- C. Consideration of a request by Councilmember Mary Alice P. Cisneros, District 1, requesting the appointment and reappointment of members to the Westside Development Corporation for a two-year term to expire on November 28, 2010.

Staff recommends referring said item to the full Council for consideration.

Councilmember Cisneros stated that the request was to reappoint members to the Westside Development Corporation. She added that the Council had allotted \$600K for SAGE and \$600K for the Westside Development Corporation through the budget cycle.

Councilmember Rodriguez moved to forward said item to the full Council for consideration. Councilmember Cisneros seconded the motion. Motion carried unanimously.

- D. Consideration of a request by Councilmember Diane G. Cibrian, District 8, requesting the Planning and Development Services Department to bring forward to the City Council for final action an amendment to Article III of the Unified Development Code to require a specific use authorization in appropriate commercial zoning districts for the use of live entertainment when coupled with the levying of a cover charge three or more days per week.

Staff recommends referring said item to the Infrastructure and Growth Committee for consideration.

Mr. Sanchez spoke of the compatibility challenges surrounding businesses with live entertainment coupled with a cover charge three or more days per week. He stated that the amendment would allow the Council to place conditions on the establishments with a specific use authorization. He added that with a specific use authorization a Site Plan would be required and further restrictions could be imposed. He stated that staff recommendation was to proceed through the Zoning Commission and the Infrastructure and Growth Council Committee.

Councilmember Herrera moved to forward said item to the Infrastructure and Growth Council Committee for consideration. Councilmember Cisneros seconded the motion. Motion carried unanimously.

IV. Consideration of items for future meetings

No items addressed.

V. Audit Committee Update

Councilmember Herrera stated that she would provide an update on the Audit Committee at the next Governance Meeting.

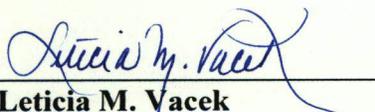
VI. Adjourn

There being no further discussion, the meeting was adjourned at 3:05 pm.

ATTEST:



Phil Hardberger
Mayor



Leticia M. Vacek
City Clerk