

**CITY COUNCIL GOVERNANCE COMMITTEE MEETING  
MINUTES  
WEDNESDAY, SEPTEMBER 18, 2013  
1:00 PM  
MEDIA BRIEFING ROOM, CITY HALL**

Council Present:	Mayor Julián Castro, <i>Chair</i> Councilmember Diego Bernal, <i>District 1</i> Councilmember Rebecca Viagran, <i>District 3</i> Councilmember Rey Saldaña, <i>District 4</i> Councilmember Ron Nirenberg, <i>District 8</i>
Staff Present:	Sheryl Sculley, <i>City Manager</i> ; Michael Bernard, <i>City Attorney</i> ; Leticia Vacek, <i>City Clerk</i> ; Peter Zanoni, <i>Deputy City Manager</i> ; John Dugan, <i>Planning and Community Development Director</i> ; Anthony Chukwudolue, <i>Public Works Interim Director</i> ; Jeff Coyle, <i>Intergovernmental Relations Director</i> ; Alex Lopez, <i>Economic Development Department Assistant Director</i> ; Bob Murdock, <i>Office of Military Affairs Director</i> ; Lianna Patterson, <i>Executive Assistant</i> , John Peterek, <i>Special Projects Manager</i> ; Rebekah Jamison, <i>Office of the City Clerk</i>

**CALL TO ORDER**

Mayor Castro called the meeting to order.

**I. Approval of minutes from the August 28, 2013 Governance Committee Meeting.**

Councilmember Nirenberg moved to approve the minutes of the August 28, 2013 Governance Committee Meeting as submitted. Councilmember Saldaña seconded the motion. Motion carried unanimously.

**II. Items requiring individual briefing(s)**

**A. Briefing and possible action on a request from Councilman Carlton Soules, District 10, regarding Veteran Owned Small Business Program (VOSB)  
Ben Gorzell, Chief Financial Officer, Troy Elliott, Director, Finance**

Troy Elliott presented a PowerPoint of a Proposed Veteran-Owned Small Business Program. Mr. Elliott stated that a Council Consideration Request (CCR) was submitted by Councilman Carlton Soules for staff to research the development of a VOSB Program. The CCR requested consideration of an ordinance granting preference to veteran-owned small businesses and establishment of a formal Veteran-Owned Small Business Program to maximize the economic vitality and development of the City of San Antonio.

Troy Elliott reported that the CCR called for establishment of a:

- VOSB participation goal
- Assure that VOSB are solicited on bids for which the businesses may be suited
- Assure that participation by VOSB is appropriately factored into the evaluation of proposals for services, goods, or supplies.

Mr. Elliott noted that the definition of a Veteran-Owned Small Business is a small business that is 51% owned, controlled and managed by a honorably discharged veteran or veterans, that 51% owner must be a United States Citizen or Legal Resident. The term "Veteran" means a person who served on active duty with the U.S. Army, Air Force, Navy, Marine Corps, Coast Guard, Reservist, or Members of the National Guard, for any length of time and at any place and who was discharged or released there from under conditions other than dishonorable.

Mr. Elliott stated that the program would not distinguish between a veteran and a service-disabled veteran owned business and that it is not geographically limited.

Mr. Elliott reported that the first year of the Program would be as follows:

#### Expand Outreach and Marketing

- Military Affairs Committee of Greater San Antonio Chamber of Commerce
- UTSA Veteran Small Business Help Center
- Bexar County Veteran Affairs Office
- South Central Texas Regional Certification Agency
- Small Business Administration has an online searchable database of service disabled VBE certified businesses at National, State and Regional Levels

#### Tracking of VOSB Participation

- Accumulate VOSB participation data over the upcoming year to assist in design of a future goal based program
- Applies to all City Contracts in excess of \$50,000
- VOSB Prime and Subcontractor utilization will be tracked and monitored in the City's Contract Monitoring System (CCMS)

#### Preference Points for Discretionary Contracts

- Recommend a 5 point preference based upon a 100 point evaluation scale for VOSB Prime Contractors for professional service contracts not governed by statute.

A maximum of 35 points could be dedicated to VOSB, Local Preference and SBEDA Programs

- 5 points -VOSB
- 10 points – Local Preference Program
- 20 points – SBEDA Program

Mr. Elliott reported that for future program years that the collection of data and outreach efforts be evaluated, explore opportunities to expand program to procurements covered by statute to look into the future to make changes through the State Legislature, Develop and propose a VOSB goal based program such as aspirational goal, citywide mandatory goal and contract specific goals based on availability. Mr. Elliott noted to evaluate any additional administrative costs associated with the implementation of a goal based VOSB Program and return to Governance Committee with staff recommendations.

Mr. Elliott proposed a two step process, the first year, collect participation data, expand outreach and marketing efforts and implement a 5 pt. preference program for procurements not covered by statute and noted possible amendments to the statute.

Mayor Castro asked if current State Law made it challenging. Mr. Elliott replied yes, if a local company limits the City's ability in placing restrictions and was difficult to place a preference.

Mr. Elliott stated that the second year and future years that the data be analyzed and develop a goal based program.

Councilmember Saldaña moved to forward said item to the full City Council. Councilmember Viagran seconded the motion. Motion carried unanimously.

**B. Update and possible action on the Texas Department of Transportation proposal to turn State roadways back to the City of San Antonio.**

Anthony Chukwudolue, Interim Director, Public Works; Jeff Coyle, Intergovernmental Relations

Jeff Coyle reported that on August 28 2013 City Staff provided a briefing on TxDOT's proposal to transfer to municipalities state-owned roadways which includes portions or all of 22 State Roadways within the City of San Antonio.

Mr. Coyle added that the "turnback" would shift \$165 million in costs to cities. He stated that Public Works and Budget estimated the transfer would cost the City of San Antonio \$11.6 million per year.

Mr. Coyle reported on the hearing of the Texas Transportation Commission held August 29, 2013 stating that State Representatives and more than a dozen Mayors and City Officials from across the State testified in opposition to the proposal.

Mr. Coyle stated that at the meeting of September 10, 2013 it was noted that any transfers of roads from the State to Cities would be voluntary. He added that TxDOT was offering a one-time incentive of \$22,000 per lane mile and that TxDOT savings would remain in the San Antonio District. Mr. Coyle noted that transfers would not affect MPO Funding from the State.

Mr. Coyle noted that a meeting was held on September 13, 2013 and it was said that TxDOT would continue to execute planned maintenance already in the program, TxDOT generally does not allow complete streets on state thus, and TxDOT was requesting a letter from Cities potentially interested in transfers.

Mayor Castro asked if the County had presented their plan. Mr. Coyle stated that the City has not been involved with what the county has proposed. Mayor Castro asked that Mr. Coyle coordinate efforts with Bexar County for the submittal of a plan to TxDOT.

Councilmember Nirenberg asked what involvement did the County have. Mr. Coyle stated that the County received the same letter related to Blanco Road and one Street on the South.

Councilmember Saldaña asked if the savings would remain in the region. Mr. Coyle and Mr. Contreras stated that a certain amount of money would come to San Antonio Region.

Mrs. Sculley gave an example of Broadway Street in which only \$500,000. would be given to the City to take it over.

Mayor Castro asked staff to bring forth options and to coordinate with Bexar County.

There was no action required for said item.

**C. City Council Project Funds (CCPF) Program Improvements**  
Christopher Callanen, Assistant to City Council

Mr. Chris Callanen reported that the City Council Office began administering the City Council Project Funds (CCPF) when it was transferred from the Department of Human Services on January 1, 2012. He stated that Staff is proposing additional improvements to further streamline the administration of CCPF.

Mr. Callanen reported that the Human Development Services Fund (HDSF) was established to provide funding that could be used at the discretion of the Mayor and Council Members to support family strengthening, youth development, workforce development, community safety net initiatives and scholarship programs.

Mr. Callanen added that during this transfer, several improvements to the program were made. Improvements include the consolidation of eligible categories, streamlined online application, implementation of an election year moratorium which limits the approval of awards 60 days before and 30 days after the City Council General Election, clarified the list of eligible expenditures and established a carry forward amount for unspent funds.

Mr. Callanen stated that the FY 2014 annual allocation for CCPF was adopted by City Council on September 12, 2013 and provides for \$50,000 for the Mayor and each Council District to utilize. Mr. Callanen noted the following additional recommended changes to the CCPF Ordinance:

- Update Section 7 of the Ordinance
  - Funding may not be used for the rental of mechanized carnival rides.
- Update Section 8 of the Ordinance:
  - Amend the moratorium on a Councilperson or Mayor's Approval of CCPF Expenditures to coincide with the elected official filing to run for Mayor or City Council and to include extending the thirty days post General Election moratorium restriction to capture the Run Off Election, if applicable.
  - Amend the CCPF Ordinance to restrict the use of CCPF or to allow any CCPF funded events from occurring during the moratorium.
  - Establish that non-election year spending from CCPF and Operating Budgets for Advertising and Publications becomes the benchmark for spending during an election year.

- Update Section 9 of the Ordinance:
  - Reduce the amount of unallocated CCPF that may be carried forward from one fiscal year to another from \$25,000 to \$10,000.

Mr. Callanen noted that there would be monthly mandatory meetings with Mayor and City Council Staff related to CCPF Policies.

Mayor Castro stated that he was pleased with the proposed changes.

Councilmember Viagran moved to forward said item to the full City Council. Councilmember Bernal seconded the motion. Motion carried unanimously.

### **III. Consideration of items for future meetings**

#### **A. Next Meeting Scheduled: October 16, 2013**

Mayor Castro announced that the next Governance Council Committee Meeting was scheduled for October 16, 2013.

There being no further discussion, Mayor Castro adjourned the meeting at 2:20 p.m.

**ATTEST:**

  
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*Leticia Vacek, TRMC/MMC*  
City Clerk

  
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*Julian Castro*  
Mayor