

**INTERGOVERNMENTAL RELATIONS COMMITTEE  
MEETING MINUTES  
WEDNESDAY, JUNE 12, 2019  
1:00 PM  
MUNICIPAL PLAZA BUILDING**

<b>Members Present:</b>	Councilmember Rey Saldaña, Chair, <i>District 4</i> Councilmember Rebecca Viagran, <i>District 3</i> Councilmember Manny Peláez, <i>District 8</i> Councilmember Clayton Perry, <i>District 10</i>
<b>Members Absent:</b>	Mayor Ron Nirenberg
<b>Staff Present:</b>	Colleen Bridger, <i>Assistant City Manager</i> ; Carlos Contreras, <i>Assistant City Manager</i> ; Troy Elliott, <i>Deputy Chief Financial Officer</i> ; Rene Dominguez, <i>Director, Economic Development Department</i> ; Jeff Coyle, <i>Director, Government &amp; Public Affairs</i> ; Sally Basurto, <i>Assistant Director, Government &amp; Public Affairs</i> ; Megan Dodge, <i>Assistant Director, Government and Public Affairs</i> ; Alicia K. Beckham, <i>Office of the City Clerk</i>
<b>Other Present:</b>	Jeff Moseley, <i>Director, Texas Mexico Trade Coalition</i> ; Dr. Adriana Rocha-Garcia, <i>Assistant Professor, OLLU</i>

**Call to Order**

Chairman Saldaña called the meeting to order.

**1. Approval of the minutes from the December 12, 2018, January 9, March 6, March 28, and May 1, 2019 meetings of the Intergovernmental Relations Committee.**

Councilmember Viagran moved to approve the Minutes from the December 12, 2018, January 9, March 6, March 28, and May 1, 2019 meetings of the Intergovernmental Relations Committee. Councilmember Peláez seconded the motion. The motion carried unanimously by those present.

**2. Briefing on the proposed United States-Mexico-Canada Agreement (USMCA), an update to the North American Free Trade Agreement (NAFTA) and possible action on the approval of a resolution in support of the USMCA.** [Carlos Contreras, *Assistant City Manager*; Rene Dominguez, *Director, Economic Development Department*]

Rene Dominguez presented an overview of the current status of the United States-Mexico-Canada Agreement (USMCA). He stated that it was a revised version of the existing North American Free Trade Agreement (NAFTA) signed into law on November 30, 2018. The Legislatures of all three countries would ratify the agreement before implementation. He explained that NAFTA reduced trading barriers to zero by eliminating custom duties among free countries. He provided an update on four key local industry areas of NAFTA that applied to San Antonio and the region:

- Agriculture: USMCA protected and maintained the status quo for major staple crops in Texas such as cotton, soy beans, and corn.
- Energy: USMCA allowed for the ability of many large Texas companies in San Antonio to continue to develop or maintain existing energy investments and energy projects in Mexico.

- **Trucking and Transportation:** USMCA maintained the financial status quo on transportation and allowed for San Antonio to keep building logistical hubs and increase land transportation services.
- **Automotive:** USMCA increased the automobile regional value content from 60% to 75% and required 75% of an automobile's components to be made in the US, Mexico or Canada in order to be shipped duty free.

Jeff Moseley stated that the USMCA initiative required full support from Texas to garner the necessary amount of congressional votes needed for ratification of the USMCA in the House and the Senate. He emphasized that there were 700,000 Texans and their families who relied on jobs impacted by NAFTA and that successful ratification was a huge issue for Texas. He warned of reversion back to World Trade Organization Rules and the resurface of duties into our trade relationship with Mexico if the USMCA was not ratified. He stated that 28% of the Texas Economy was related to a strong trade relationship with Mexico because of NAFTA. He cited the International Trade Commission Report stating that the US Gross Domestic Product would increase by \$68.2 billion and would create an additional 176,000 U.S. jobs. He added that the Texas-Mexico Trade Coalition partnered with the U.S. Trade Representative Office to formulate and present a letter to House Speaker Pelosi and the Democratic Leadership.

Councilmember Saldaña asked of any opposition to the NATFA ratification. Mr. Mosely stated that the Labor Industry was reticent about trade. He stated that NAFTA provided protections and salary guarantees and that the Texas-Mexico Trade Coalition believed it to be good for Labor. He suggested that discussions be held with Labor Leadership to ensure an agreement approved by both the Labor and Business Industries.

Councilmember Peláez requested revision of the draft resolution to identify San Antonio as the birthplace of NAFTA success and citing specific examples of the direct benefits San Antonio has received using the NAFTA vehicle.

Councilmember Viagran requested a resolution to Congress urging its support of the American Dream Promise Act.

Councilmember Viagran moved to approve the resolution in support of NAFTA to include language specifically citing San Antonio's major role in NAFTA and providing examples of the direct benefits San Antonio received using the NAFTA vehicle. Councilmember Peláez seconded the motion. The motion carried unanimously by those present.

### **3. Briefing and possible action on Federal Representation Services contracts [Jeff Coyle, *Director, Government & Public Affairs*]**

Jeff Coyle provided a briefing on the selection and proposed execution of Federal Representation Services Agreements with Clark Hill Strasburger (CHS) in an amount not to exceed \$16,666 per month; The Normandy Group (NG) in an amount not to exceed \$8,333 per month; and Serna and Serna in an amount not to exceed \$3,750 per month for the term of June 1, 2019 through December 31, 2020. He stated that the agreements provided for terms to be renewed for up to one, two-year term through December 31, 2022, upon approval by City Council. He stated that both CHS and the NG reduced their initial bids and agreed to work together as a team.

Councilmember Viagran asked why CHS and NG reduced their bids. Mr. Coyle replied that CHS submitted a bid to the Aviation Department and the San Antonio International Airport for which the Normandy Group already had a well-established relationship with, so both consultants agreed that CHS

would reduce its scope and focus on aviation, and that airport matters were to be taken up by The Normandy Group.

Councilmember Peláez asked if CHS was a Democratic Party Firm. Mr. Coyle replied that CHS was completely bipartisan. He added that the Normandy Group was also bipartisan. He stated that he would ask what partisan party Serna & Serna ascribed to.

Chairman Saldaña asked of the key areas the proposed consultants would focus on. Mr. Coyle replied that there were four priority areas: Military Protection, Transportation, Aviation and Housing.

Councilmember Perry requested to meet with the consultants to discuss military protection matters. Mr. Coyle agreed.

Councilmember Viagran moved to approve and forward the Federal Representation Services Contracts to City Council for consideration. Councilmember Peláez seconded the motion. The motion carried unanimously by those present.

**4. Briefing and possible action on federal efforts related to migrant asylum seekers. [Jeff Coyle, Director, Government & Public Affairs]**

Mr. Coyle stated that more than half of the Texas Delegation Team toured the Migrant Resource Center and that the Delegates were engaged in discussions with other Texas cities to create coalitions of near-border cities to make a national push for funding as there was no current federal program in place. He stated that two Texas Delegates were members of the Appropriations Committee which was in the process of drafting language to create a roughly \$30 million fund to reimburse communities that assisted with migrant transitioning efforts. Mr. Coyle presented a proposed draft letter to be issued to all members of the Texas Delegation from the Mayor to formally request funding. He noted that Federal Appropriations Process was slow but emphasized that the Federal Consulting Team had made it a priority for the City and the Texas Delegation Team received weekly updates.

Councilmember Viagran asked of feedback from Texas Senators regarding the Migrant Resource Center. Sally Basurto replied that both Senators were very supportive of the Center and of the reimbursement to San Antonio and other communities in other states providing migrant assistance. She said that Senator Cornyn had sent his District Director to tour the Migrant Resource Center and she added that the Senators received weekly updates and weekly conference calls were held with the Chiefs of Staff for both Senators.

Councilmember Perry noted that the proposed draft letter only mentioned costs incurred to Catholic Charities. He requested that total costs incurred by the City also be included in the letter. Mr. Coyle agreed. He asked for the status on the City Manager's proposed plan to coordinate with other cities also impacted by migration transition and funding. Mr. Coyle stated that a working plan was in an early stage and that he would confer with the City Manager on a draft to distribute to the City Council.

No action was required for Item 4.

## Adjourn

There being no further discussion, the meeting was adjourned at 1:32 p.m.

*Respectfully Submitted,*



**Alicia K. Beckham**  
*Office of the City Clerk*

**/Tina J. Flores, Acting City Clerk**  
**Filed and Recorded/**  
**Rey Saldaña, Chairman**