

**State of Texas
County of Bexar
City of San Antonio**



**FINAL
Meeting Minutes
City Council A Session**

City Hall Complex
105 Main Plaza
San Antonio, Texas 78205

Thursday, March 9, 2017

9:00 AM

Municipal Plaza Building

The City Council of San Antonio convened in a Regular Council Meeting. City Clerk Leticia Vacek took the Roll Call with the following Councilmembers present:

PRESENT: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier and Gallagher

1. The Invocation was delivered by Pastor Andrew Roberts, Eastwood Community Baptist Church, guest of Councilmember Alan E. Warrick II, District 2.
2. Mayor Taylor led the Pledge of Allegiance to the Flag of the United States of America.
3. Approval of Minutes for the Regular City Council meetings of February 1 - 2, 2017.

Councilmember Warrick moved to approve the Minutes for the Regular City Council meetings of February 1-2, 2017. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier and Gallagher

4. Councilmember Rebecca J. Viagran will be sworn-in as Mayor Pro-Tem, serving the term March 24, 2017 through May 31, 2017 (or until new Mayor Pro-Tem Terms are drawn).

City Clerk Vacek administered the Oath of Office to Councilmember Rebecca J. Viagran who will serve as Mayor Pro-Tem for the term beginning March 24, 2017 through May 31, 2017 (or until new Mayor Pro Terms are drawn).

POINTS OF PERSONAL PRIVILEGE

Mayor Taylor welcomed a group of students from Japan that were participating in a Cultural Exchange Program. She noted that they would be visiting Lee High School and welcomed them to San Antonio. Councilmember Lopez stated that he was enthusiastic about the San Antonio-Japan Connection and had the privilege of serving on trade missions going to Japan on several occasions. He also welcomed the students to San Antonio.

Mayor Taylor recognized Councilmember Gonzales who called upon Jaime Martinez representing the Cesar E. Chavez Foundation. Mr. Martinez highlighted the work of Cesar Chavez who founded the United Farmworkers Union and spoke of his principles of Non-Violence. He invited everyone to attend the Cesar E. Chavez March for Justice on March 25th. Gabriel Velasquez, Event Coordinator, thanked the City Council for the recognition and recognized Jaime Martinez for his work on celebrating the legacy of Cesar Chavez. Mayor Taylor and the City Council thanked Mr. Martinez and the Cesar E. Chavez Foundation for their work.

CONSENT AGENDA ITEMS

Items 12, 17, 19, 20, 22, 24, 26A, 26B, 26C, and 26D were pulled for Individual Consideration. Councilmember Viagran moved to approve the remaining Consent Agenda Items. Councilmember Warrick seconded the motion.

The motion to approve the remaining Consent Agenda Items prevailed by the following vote:

AYE: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier and Gallagher

2017-03-09-0148

7. An Ordinance authorizing the following contracts establishing unit prices for goods and services for an estimated annual cost of \$379,364.00: (A) Southwest Texas Equipment Distributors, Inc., dba Mission Restaurant Supply for the lease of ice machines, (B) Genuine Parts Company for public safety automotive batteries, and (C) Selrico Services, Inc. for amendment to annual contract for custodial services for San Antonio Branch Libraries. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

2017-03-09-0149

8. An Ordinance awarding a contract to TCL Construction Enterprises, Inc. for a Labor and Material Contract for Concrete Work in San Antonio parks for an estimated annual amount of approximately \$2.1 million for a total estimated amount of \$6,284,015.00 for the three year period, and providing the procurement of labor and concrete material for park operations as needed and in accordance with the annual adopted budget approved by City Council. [María Villagómez, Assistant City Manager; Xavier Urrutia, Director, Parks & Recreation]

2017-03-09-0150

9. An Ordinance approving the use of previously authorized capital funding in the amount of \$145,961.67 to be used for project construction of an Overlook, as part of the Southside Lions Park Project, a 2012-2017 General Obligation Bond funded project located in Council District 3. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Director, Transportation & Capital Improvements]

2017-03-09-0151

10. An Ordinance for an Advanced Funding Agreement with Texas Department of Transportation in the amount of \$31,595.00, or 10% of the total project budget, paid by the City of San Antonio for TxDOT's installation of a traffic signal at Ingram Road and Richland Hills Drive, an Infrastructure Management Program funded project, located in Council District 6. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Director, Transportation & Capital Improvements]

2017-03-09-0152

11. An Ordinance for the 2017 Asphalt Overlay Task Order Contract Package 5 accepting the lowest responsive bid and awarding a Task Order contract to Clark Construction of Texas, Inc. in an amount not to exceed \$5,262,783.50 of which \$187,875.00 will be reimbursed by San Antonio Water System (SAWS) and \$13,000.00 will be reimbursed by CPS Energy for necessary adjustments to existing infrastructure. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Director,

Transportation & Capital Improvements]

2017-03-09-0154

13. An Ordinance declaring 1033 Ada Street located in Council District 3 and 611 Oriental Avenue located in Council District 5 as surplus to the City's needs and authorizing their sale. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Director, Transportation & Capital Improvements]

2017-03-09-0155

14. An Ordinance authorizing the closure, vacation and abandonment of a 2.740 acre unimproved portion of Blackberry Drive and Lealand Drive public right-of-ways in Council District 7 for a fee of \$120,678.00 as requested by Caliburn Capital. [Peter Zanoni, Deputy City Manager, Mike Frisbie, Director, Transportation & Capital Improvements]

2017-03-09-0156

15. An Ordinance authorizing a lease agreement with M7 Aerospace, LLC for the first floor of Hangar 4, ground space and parking spaces at the San Antonio International Airport for a term of one year with the option for the City of San Antonio to extend for an additional year. [Carlos Contreras, Assistant City Manager; Russell Handy, Director, Aviation]

2017-03-09-0157

16. An Ordinance authorizing the execution of the 6th Renewal and 5th Amendment to Lease Agreement with Riverview Tower Partners, Ltd. for the continued rental of approximately 18,830 square feet of office space located at 111 Soledad Street, Suites 120, 200 and 925, in City Council District 1, for use by the Human Resources Department. [Lori Houston, Assistant City Manager; John Jacks, Interim Director, Center City Development & Operations]

2017-03-09-0159

18. An Ordinance approving the temporary closure of certain streets for the 2017 Fiesta San Antonio celebration; approving the locations, dates and times for the Fiesta Carnival and official Fiesta events with related requirements and conditions including a limited exception of Municipal Code Section 32-30; approving the Fiesta parade routes; and authorizing reimbursement to Fiesta Commission for bleachers along parade routes. [Lori Houston, Assistant City Manager; John Jacks, Interim Director, Center City Development & Operations]

2017-03-09-0162

21. An Ordinance authorizing the San Antonio Economic Development Corporation to

undertake an economic development project with bioAffinity Technologies, Inc. in the amount of \$150,000.00 [Carlos Contreras, Assistant City Manager, Rene Dominguez, Director, Economic Development]

2017-03-09-0164

23. An Ordinance approving the Inner City Tax Increment Reinvestment Zone #11 Amended Project Plan. [Peter Zanoni, Deputy City Manager; Bridgett White, Director, Planning]
25. Consideration of the following two Resolutions related to the San Antonio Water System: [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]

2017-03-09-0013R

- 25A. A Resolution requesting financial assistance in the amount of \$10,500,000 from the Texas Water Development Board under its Drinking Water State Revolving Fund Program for the design and construction of improvements to the City's water utility system; authorizing the System's co-financial advisors, bond counsel, and engineers to coordinate the submission of the application to the Texas Water Development Board for funding from its Water Infrastructure Fund; and other matters in connection therewith.

2017-03-09-0014R

- 25B. A Resolution establishing the City's intention to reimburse itself, in an amount not to exceed \$10,500,000, for the prior lawful expenditure of funds of the San Antonio Water System relating to constructing various capital infrastructure improvements to the City's combined water and wastewater system.

CONSENT ITEMS CONCLUDED

ACTION ITEMS FOR STAFF BRIEFING

Items 5A, 5B, and 6 were addressed jointly. City Clerk Vacek read the captions for Items 5A, 5B, and 6:

5. Consideration of the following two items relating to agreements between the City of San Antonio and the City of Converse for a regional solution providing urban level services to unincorporated areas in northeast Bexar County: [Peter Zanoni, Deputy City Manager; Bridgett White, Director, Planning]

2017-03-09-0146

- 5A.** An Ordinance authorizing an Interlocal Agreement between the City of San Antonio and the City of Converse for phased Extraterritorial Jurisdiction releases, phased municipal boundary adjustments, and phased Converse Annexations in which San Antonio will release approximately 12 square miles from its Extraterritorial Jurisdiction and approximately 3.6 square miles from its corporate area to the City of Converse and Converse will annex approximately 12 square miles within an area bounded by IH-35 on the north, the San Antonio city limit line east of East Loop 1604 North on the east, IH-10 East on the south, and North Foster Road on the West in Bexar County, Texas and amending the Mutual Aid Fire Agreement between the City of San Antonio and the City of Converse.

2017-03-09-0147

- 5B.** An Ordinance authorizing the release of Extraterritorial Jurisdiction from the City of San Antonio to the City of Converse of approximately 600 acres generally located south of the Converse city limit line on the north, west of the San Antonio city limit line on the east, north of IH-10 on the south, and east of FM 1516 on the west, consistent with the Interlocal Agreement.

2017-03-09-0012R

- 6.** A Resolution providing consent to the request from Emergency Services District No. 11 to incur debt not in excess of \$3,500,000.00 [Carlos Contreras, Assistant City Manager; Jeff Coyle, Director, Government and Public Affairs]

Peter Zaroni presented a Power Point highlighting the Interlocal Agreement (ILA) between the City of San Antonio and the City of Converse for the IH-10 East Annexation Area. He noted the major deal points in which the square miles would increase from 7 to 22.6 and the population to 68,000. He reported on Phase I through Phase VI Annexation of the Area that would occur through 2033. He reviewed the financial model for the City of Converse and noted that there would be an \$8.6 Million 20-Year Net Ending Balance considering all ILA Revenues and Expenses. He reported that the City of San Antonio would forego revenue at full implementation in FY 2035 of \$2.7 Million in Property Tax Revenue, \$1.1 Million in Sales Tax Revenue, and \$136,000 in other revenue. He played a video highlighting the City of Converse and its amenities. He added that said plan has no impact to the Military Mission at Randolph Air Force Base and that the Military is securing protection easements with the Developer.

Mr. Zaroni noted that Northampton Park resides 2/3 in the City of Converse and that park operation and maintenance would be transferred to them by January 1, 2018. He noted that Solid Waste Services to Camelot II would provide for a three-year Cooperative Agreement

with the City and Bexar County which was initiated on November 30, 2015. He mentioned the Fire Services Mutual Aid Agreement which had been entered into in 2006 for a 10-year Term and had been authorized for 3; three-month extensions. He indicated that today's action would amend the term of the agreement to extend until the 1604/IH-10 and Northampton Areas in the ILA are assumed by Converse. Chief Hood reported that the Emergency Services District (ESD) No. 11 (Kirby Fire Department) has requested to raise their debt limit to construct a new fire station to serve the citizens in the Woodlake and Surrounding Areas. Mr. Zaroni recommended that the City Council approve the ILA with the City of Converse for the IH-10 East Annexation Area and amendment to the Mutual Aid Fire Agreement. Additionally, to release 600 acres of the City's Extraterritorial Jurisdiction to Converse allowing for Phase I Annexation by June 2017, as well as the ESD #11 increasing their debt limit to construct an additional Fire Station. He mentioned that next steps would include four Converse Town Hall Meetings and the Converse City Council considering approval of the ILA on March 21, 2017.

Mayor Taylor recognized the following speakers. Commissioner Tommy Calvert spoke to the hard work of the City of Converse and the City of San Antonio and thanked Peter Zaroni as well as Converse Mayor Suarez. He noted the partnership on Solid Waste in the Camelot II Area and thanked Mayor Taylor and Council for their support.

Mayor Suarez spoke of the 2006 Fire Services Mutual Aid Agreement that had been entered to with the City of San Antonio. He stated that the City of Converse works very closely with Randolph Air Force Base on the joint land use restrictions. He stated that both city staffs have worked together for many months and respectfully recommended approval of said items.

Colonel Mark Lee of Joint Base San Antonio (JBSA) stated that they are neither in favor or opposition to the annexation. He stated that they can work with either entity to ensure that compatible development occurs to preserve the mission of the military.

Dave Fulbright, Chief Operating Officer for the Army Residence Community, stated that he represents 750 Retired Military Officers that live there. He reported that their community just celebrated their 30th Anniversary and solely allow Retired Military Residents to live there. He stated that they must maintain their Non-Profit Property Tax Exemption Status and would like to have further discussions on the potential impact of the annexation.

Rhett Smith stated that he was supporting the City of Converse in their effort to expand their city.

Alfredo Esparza Colunga expressed support for the improvement and annexation of the

City of Converse.

Mayor Taylor extended her gratitude to Mr. Zanoni and the Planning Staff for their work. She also thanked Converse Mayor Suarez and his staff. She mentioned that the City of Converse has had to limit their economic development due to the military installation and noted that she is looking forward to continued dialogue.

Councilmember Warrick thanked everyone for their work and asked of the impact of bills in the Legislature that may affect annexation and the ILA. Jeff Coyle stated that there were various bills related to annexation that could impact same in the future. Mr. Zanoni clarified that if annexation legislation passes; both cities would continue to work toward fulfilling the ILA. Councilmember Warrick asked of the Army Retirement Village. Mr. Zanoni noted that he had several discussions with one of their representatives and that they would be annexed in 2020. Councilmember Warrick asked of the transition for the Northampton Neighborhood. Mr. Zanoni replied that 904 homes would be released to the City of Converse by the end of this year and the remaining 97 would be released in Phase II. He noted that they would not see a difference in Fire Service but beginning in January 2018; Converse would provide Police Service. Councilmember Warrick asked when the streets in Northampton would be repaved. Converse City Manager Lanny Lambert responded that they would be able to complete street repaving once they begin collecting revenues after annexation.

Councilmember Gallagher referenced slide 22 and stated that the City needed to articulate how this action would ensure to protect the mission of Randolph Air Force Base. Mr. Zanoni responded that the City of Converse was engaged with the military and understood the sensitivity of the military. Colonel Lee added that they were in good conversation with the property owner to ensure that they come to an amicable agreement to preserve the flying mission with compatible development. He added that they would resolve issues prior to the 2019 Base Realignment and Closure (BRAC).

Councilmember Nirenberg thanked Mr. Zanoni and the Planning Staff for their work but asked why the Annexation made fiscal sense for the City of Converse and not for San Antonio. Mr. Zanoni replied that the cost of their public safety was half the amount as San Antonio's. Additionally, that San Antonio would have to add a whole Fire Company while Converse already had firefighters and equipment as they were currently the provider for the ESD. Councilmember Nirenberg stated that he would like to re-visit the annexation policy and make refinements as necessary to ensure that it is applied consistently.

Councilmember Viagran asked if the City of Converse had Zoning Laws. Mr. Zanoni confirmed that they did. Councilmember Viagran asked the Converse Police Chief about

their current response times. Chief Villegas replied that their current response time is 3 minutes for emergencies and 7 minutes for non-emergencies. He noted that they were exploring options such as Store Fronts or Substations to get closer to the annexed areas. Councilmember Viagran complimented Mayor Suarez for moving forward with Community Meetings.

Councilmember Gonzales noted that she had been opposed to annexation due to the great amount of sidewalks in her District that were in need of repair. However, she stated that she would support this annexation. She added that trash and illegal dumping needed to be addressed before considering future annexations.

Councilmember Krier stated that a BRAC is inevitable and need to ensure that we do whatever we can to preserve Air Space and Military Missions in San Antonio. He stated that he was supportive of the Annexation.

Councilmember Warrick moved to adopt the Ordinances for Items 5A and 5B and approve the Resolution for Item 6. Councilmember Gallagher seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier and Gallagher

ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

City Clerk Vacek read the caption for Item 12:

2017-03-09-0153

- 12.** An Ordinance authorizing a deductive change order to the existing Design-Build Contract with Turner Construction Company for the Alamodome Renovation Project, decreasing the contract amount by \$377,560.00 for a total contract value not to exceed \$49,749,924.00 located in Council District 2. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Director, Transportation & Capital Improvements]

Councilmember Warrick asked of the utilization of African-American Owned Business Enterprises (AABE). Rene Dominguez responded that it was 1%; however, there was still half of the project remaining and anticipated that number growing. He added that they were working to certify a Subcontractor as AABE.

Councilmember Warrick moved to adopt the Ordinance for Item 12. Councilmember Viagran seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier and Gallagher

City Clerk Vacek read the caption for Item 17:

2017-03-09-0158

- 17.** An Ordinance authorizing the negotiation and execution of a five-year license with Fratello's LLC for use of 2,509 square feet plus basement storage area in a portion of the City-owned building at 115 Plaza de Armas, Suite 107 for retail space with the license fee waived during the initial startup period. [Lori Houston, Assistant City Manager; John Jacks, Interim Director, Center City Development & Operations]

Councilmember Treviño asked for a brief presentation. John Jacks presented a power point denoting the competitive process to identify a tenant for retail space in Plaza de Armas. He reported that they had received four proposals and that the City of San Antonio was offering competitive lease terms to build a customer base. He noted that Fratello's Italian Market & Deli was recommended and would serve Italian and World Cuisine. He outlined the lease terms which would be effective for five years with an optional five-year renewal. He added that no rent would be paid for the first 18 months and that rent would be paid for the first three years only if sales were greater than \$50,000 per month for two consecutive months. Additionally, the City will collect a percentage of sales if they exceed \$60,000 per month. He mentioned that parking spaces were included in the lease agreement. Councilmember Treviño asked why staff felt that this restaurant would be successful. Mr. Jacks replied that Fratello's had an existing location on Broadway Street that was already successful and that the Committee felt that this type of cuisine was underserved in Downtown. Councilmember Treviño noted that Fratello's is a part of the Italian Society which was one of the oldest in the United States and was pleased to have a diverse culinary option by City Hall.

Councilmember Treviño moved to adopt the Ordinance for Item 17. Councilmember Warrick seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier and Gallagher

City Clerk Vacek read the caption for Item 19:

2017-03-09-0160

- 19.** An Ordinance approving a pre-qualified list of public art professionals whose services may be used to implement public art projects established by the public art

plan in an amount not to exceed the eligible allocation; authorizing contracts for such projects; and authorizing payments subject to the availability of funds. [Lori Houston, Assistant City Manager; Debbie Racca-Sittre, Director, Arts & Culture]

Debbie Racca-Sittre presented a power point and outlined the 2017 Call for Public Art Qualifications. She stated that the City Council had established the process for utilizing a pre-qualified list in October 2012. She noted that the "Call for Artists" was issued annually for a 2-Year pre-qualification period and approved by the San Antonio Arts Commission and City Council. She mentioned that pre-qualification status did not guarantee a contract opportunity. She highlighted the selection process for specific project commissions and reported that 135 Artists/Partners representing 15 States were recommended for qualification. She provided examples of art from recommended public artists and spoke of the Local Artist Mentorship Course in which 10 Emerging Artists were invited to attend two all-day workshops. She stated that staff recommended the pre-qualification of 104 Public Artists, 19 Public Art Support Services, and 13 Collaborative Partners.

Mayor Taylor called upon the citizens registered to speak.

Kathleen Weir Vale stated that she was a Board Member of the San Antonio Symphony and supportive of the recommendations. She spoke of the work of the Symphony and highlighted their education outreach initiative and benefits of music.

Frank Stenger Castro, Symphony Board Member, spoke of the importance of arts funding. He stated that the symphony played a vital role in the City of San Antonio and highlighted the economic benefits.

Councilmember Krier stated that he understood the value of arts to a community but felt they should be held to a higher standard with regard to the expenditure of tax dollars. He presented photos of various Public Art Projects throughout the city that he did not feel were art and asked if any other artists could be considered within 6 months. Mrs. Racca-Sittre replied that they would need approval from the full City Council to add any artists. Councilmember Krier asked of the impact that a Council Consideration Request (CCR) on reviewing the policy for recommending artists would have on today's action. Mrs. Sculley replied that there would not be an impact as the request was only to pre-qualify artists and was not a commitment to utilize them. Councilmember Krier stated that he was supportive of utilizing Local and Texas Artists on Public Art Projects.

Councilmember Treviño noted that the sculptures at Panther Springs Park had won a public art national award. He spoke of "The Bean" Sculpture in Chicago that cost \$35 Million but had done great things for that city. He called upon Guillermo Nicolas to speak on behalf of

the San Antonio Art Commission. Mr. Nicolas stated that he respected everyone's opinion but felt that International, National and Local Artists were crucial to San Antonio's culture and civilization. He noted that cross-pollination of ideas would contribute to the creativity and betterment of the community. He expressed concern that if San Antonio closed its doors to outside artists; other cities would close their doors to San Antonio.

Councilmember Medina stated that he was a proponent of public art and San Antonio was blessed to have wonderful artists. He spoke of the importance of community input and improving the participation of Local Arts.

Councilmember Nirenberg stated that San Antonio was defined by its Heritage and Art Community and noted that he was supportive of the 1% Public Art Program.

Councilmember Gonzales stated that some of the art that was displayed would look much different with children playing on it and spoke of her children's personal experience with public art. She highlighted the Blue Star and Say Sí Art Programs and stated that she would like to see more invested in Public Art Programs.

Councilmember Warrick stated that the built environment was also considered public art and highlighted the Hardberger Land Bridge and Frost Tower that were being designed by Architects from Massachusetts and Connecticut, respectively. He noted that Internationally-Acclaimed Architecture was a benefit to the City of San Antonio and the same could be said of Public Art.

Councilmember Viagran read a letter from Yadhira Lozano, District 3 Representative on the San Antonio Art Commission, in support of the work of the Department of Arts and Culture. She wrote that she was dedicated to preserving the City's Cultural Heritage and commissioning the best works of art by the best artists. Councilmember Viagran thanked the San Antonio Arts Commission and City Staff for their work

Councilmember Gallagher spoke of local preference and referenced Slide 4 which denoted only 59 San Antonio Artists being recommended for qualification out of a total 135. He stated that he was supportive of looking at the process and protecting San Antonio's Cultural Identity.

Mayor Taylor thanked everyone for the discussion on art and stated that there was nothing wrong with looking to improve the process and outcome. She noted that she would like more detail on project-specific panels. She added that it was important to be good stewards of tax dollars while seeking to invest in pieces that inspire citizens and enhance quality of life.

Councilmember Treviño moved to adopt the Ordinance for Item 19. Councilmember Nirenberg seconded the motion. The motion prevailed by the following vote:

AYE: 9 - Mayor Taylor, Treviño, Warrick, Viagran, Gonzales, Lopez, Medina, Nirenberg and Gallagher

ABSENT: 1 - Saldaña

ABSTAIN: 1 - Krier

Mayor Taylor addressed Items 26A-D jointly at this time. City Clerk Vacek read the captions for Items 26A-D:

- 26.** Consideration of the following items relating to economic incentives for the CaptureRX project: [Carlos Contreras, Assistant City Manager; Rene Dominguez, Director, Economic Development]

2017-03-09-0166

- 26A.** An Ordinance designating the CaptureRx Reinvestment Zone consisting of 0.601 acres comprised of the adjoining parcels and properties located at 305 E. Houston Street and 315 E. Houston Street in the City of San Antonio, City Council District 1, Bexar County, Texas as more particularly described in the metes and bounds map on file with the Office of the City Clerk.

2017-03-09-0167

- 26B.** An Ordinance authorizing a Tax Abatement Agreement with NEC Networks, LLC. d/b/a CaptureRx, Inc. to exempt 100% of ad valorem taxes for a period of 6 years on real and personal property improvements within the CaptureRx Reinvestment Zone.

2017-03-09-0168

- 26C.** An Ordinance authorizing a Chapter 380 Economic Development Program Grant Agreement with NEC Networks, LLC. d/b/a CaptureRx, Inc. in an amount not to exceed \$614,000.00 and SAWS impact fee waivers in an amount up to \$158,160.00.

2017-03-09-0015R

- 26D.** A Resolution authorizing the City of San Antonio to nominate NEC Networks, d/b/a CaptureRx, Inc. to the Office of the Governor Business and Enterprise Project under the Texas Enterprise Zone Program under the Texas Enterprise Zone Act, Chapter 2303, Texas Government Code.

Rene Dominguez presented a power point regarding the economic incentives for the CaptureRx Project and recognized Principals of CaptureRx that were present. He stated that the company was established in 2000 and headquartered in San Antonio. He noted that it was a Healthcare Technology Company that provides prescription fulfillment services for pharmacies. He reported that the company serves more than 500 Hospitals and Healthcare Centers in 45 States with a focus on the Federal 304B Drug Discount Program. He mentioned that CaptureRx's customers include pharmacies affiliated with H-E-B, WalMart, Rite Aid, CVS, and others. He noted that the company had grown its pharmacy base from 80 in 2010 to more than 2,300. He indicated that the company was moving its headquarters downtown to the Kress & Grant Building. He outlined the incentives to include a 6-Year, 100% Tax Abatement on Real & Personal Property; Economic Development Grant up to \$614,000; SAWS Impact Fee Waivers up to \$158,160; and a Texas Enterprise Zone Nomination. He highlighted Project Benefits such as creation of at least 240 new jobs and a minimum annual salary of \$50,000 for all employees. He added that funding of up to \$614,000 was available in the Economic Development Incentive Fund.

Councilmember Treviño asked of the due diligence conducted on CaptureRx. Mr. Dominguez replied that there was language in the application that asks about any compliance issues or legal complaints at the Federal Level. He added that staff also performed database searches and partnered with the City Attorney's Office on researching legal issues. He mentioned that the Tax Abatement required milestones to be met and that there were standard recapture provisions included in the agreement. Councilmember Treviño stated that this was an incredible project and important milestone for Downtown. Councilmember Warrick highlighted Gray Street Partners for their work in Districts 1 and 2.

Councilmember Saldaña asked of a pending lawsuit. Andy Segovia stated that they had identified a lawsuit that involved the company but it was related to Commercial Litigation and not Regulatory or Criminal. He added that there was a jury verdict in favor of CaptureRx.

Councilmember Nirenberg thanked Bexar County and Gray Street Partners and asked of required protections. Mr. Dominguez replied that the contract included recapture provisions and that funds were only disbursed after meeting job creation milestones.

Mayor Taylor thanked everyone for their work and stated that she was excited about the partnership that would bring new life to a great building in the Downtown Area.

Councilmember Treviño moved to adopt the Ordinances for Items 26A, 26B, and 26C and

approve the Resolution for Item 26D. Councilmember Warrick seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier and Gallagher

City Clerk Vacek read the caption for Item 20:

2017-03-09-0161

20. An Ordinance establishing guidelines for the funding of film festivals by the San Antonio Film Office. [Lori Houston, Assistant City Manager; Debbie Racca-Sittre, Director, Arts & Culture]

Debbie Racca-Sittre presented a Power Point regarding the Film Festivals Funding Guidelines. She stated that key strategies were to provide competitive local film incentives, increase the workforce and infrastructure, as well as improving marketing and building a Film Culture. She outlined the Film Festival Guidelines: 1) Held in San Antonio and accessible to the general public; 2) Festival must have existed for the past three years; 3) Locally juried selection process for included films; 4) Workshops/panels for film education, networking, and professional development of local film industry; 5) Maximum award of 20% of the Festival Budget; and 6) Two-Year Award. She stated that the Request for Proposals (RFP) would be released this month with proposals due in April. She noted that the Art Commission would make final funding recommendations in June. Lastly, she provided updates on the Film Strategic Plan to include securing the filming of American Ninja Warrior in San Antonio.

Mayor Taylor called upon Phillip Barcena to speak.

Phillip Barcena stated that he was representing Pride Fest and Q-Fest in support of the guidelines. He spoke of the Pride Fest Event and noted that he hoped they could work together with the City of San Antonio to make it a World Class City.

Councilmember Medina stated that this was a step in the right direction as they continue to build momentum with the Film and Arts Community. He noted that it was important to showcase events and demonstrate local talent. Councilmember Treviño expressed his support and thanked everyone for their work. Councilmember Gonzales stated that she would like to learn more about American Ninja Warrior and expressed her support. Councilmember Warrick stated that he was supportive of Art Festivals and looked forward to creating this culture in San Antonio.

Councilmember Medina moved to adopt the Ordinance for Item 20. Councilmember

Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier and Gallagher

City Clerk Vacek read the caption for Item 22:

2017-03-09-0163

- 22.** An Ordinance authorizing a five-year agreement with the San Antonio Water System beginning calendar year 2017 through 2021 to administer utility assistance credits and water meter discounts, and to accept funds annually for administrative costs in the amount of \$258,000.00 from SAWS to administer up to \$1.75 million in Affordability Discount Program water meter discounts and up to \$200,000.00 in Project AGUA utility assistance credits for the period of January 1, 2017 through December 31, 2017. [María Villagómez, Assistant City Manager; Melody Woosley, Director, Human Services]

Councilmember Gonzales asked for a brief presentation. Melody Woosley presented a power point and stated that staff requested acceptance of \$258,000 from SAWS to administer Project AGUA Utility Assistance Credits and Affordability Discount Program Water Meter Discounts for January 1, 2017-December 31, 2017. She noted that they also requested approval for a 5-Year Agreement with SAWS to administer Utility Assistance Credits and Water Meter Discounts and accept annual funds for Administrative Costs. She outlined the collaboration between the Department of Human Services and SAWS for low-income ratepayers noting that Project AGUA provides utility credits to ratepayers at or below 125% of the Federal Poverty Level. She added that the Affordability Discount Program provides low-income ratepayers with a discount on their monthly water meter charge. She projected that 1,739 households would be served through Project AGUA and 193,275 households served within the Affordability Discount Program. Councilmember Gonzales highlighted the item noting the importance of water to families. She thanked SAWS for being responsive and assisting low-income ratepayers. Councilmember Medina also thanked SAWS for their work and stated that he appreciated the assistance and education they provided to Senior Citizens.

Councilmember Gonzales moved to adopt the Ordinance for Item 22. Councilmember Medina seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier and Gallagher

RECESSED

Mayor Taylor recessed the meeting at 1:00 pm to break for lunch and announced that the meeting would resume at 2:30 pm.

RECONVENED

Mayor Taylor reconvened the meeting at 2:40 pm and addressed Item 24. City Clerk Vacek read the caption for Item 24:

2017-03-09-0165

24. An Ordinance selecting Ramboll Environ US Corporation and awarding a contract for consultant services for a “Health Impact Assessment for Non-Attainment on Public Health”, in an amount not to exceed \$75,000.00, for an initial term of one year, with one additional one year renewal option. [Roderick Sanchez, Assistant City Manager; Douglas Melnick, Chief Sustainability Officer]

Doug Melnick presented a brief power point and outlined Regional Air Quality Initiatives. He spoke of the Public Awareness Campaign to educate residents, businesses, and industry on steps to improve Air Quality. He stated that the Air Quality Study would assess the impact on Public Health using “Cost of Illness” Metrics, a companion study to the Alamo Area Council of Governments (AACOG) “Economic Cost of Non-Attainment.” He noted the Scope of the Air Quality Study: 1) Estimate the Health Impact of Ozone Pollution; 2) Study results will outline Health and Cost Impacts; 3) Inform the public on the Air Quality Issues related to Public Health. He mentioned that a Request for Proposals (RFP) was released on January 3, 2017 with one proposal received. He stated that they recommended Ramboll Environ who provided similar services for the Texas Commission on Environmental Quality (TCEQ), AACOG, and Maricopa County. He added that the study would be completed within 90 days upon Council Approval.

Councilmember Nirenberg stated that this was an important study and that the Environmental Protection Agency had forced the city’s hands in a number of ways such as the Sewer System. He added that the city should continue to show the public that we are being progressive on Air Quality Issues. Councilmember Lopez concurred with Councilmember Nirenberg and stated that he was pleased with the work occurring on Air Quality Initiatives. He spoke of the need to quantify them on a scientific basis and identify the impacts of the inability to have Air Quality Standards that are effective.

Councilmember Nirenberg moved to adopt the Ordinance for Item 24. Councilmember Lopez seconded the motion. The motion prevailed by the following vote:

AYE: 9 - Mayor Taylor, Treviño, Warrick, Viagran, Gonzales, Lopez, Medina, Nirenberg and Gallagher

ABSENT: 2 - Saldaña and Krier

27. City Manager's Report

SPRING BREAK NATATORIUM OPENING

Mrs. Sculley reported that the San Antonio Natatorium would offer free open swimming for all ages from 12:00 pm to 3:00 pm during Spring Break, March 13-17, 2017. She stated that youth ages 14 and under would have access to free swimming activities including basic swim lessons, swim stroke instruction, junior lifeguard exploration, diving demonstrations, and team water sports. She noted that last year; nearly 1,700 residents participated in Spring Break Aquatic Activities at the Natatorium. She reminded everyone that the Splash Pads located at Yanaguana Gardens in Hemisfair Park, Pearsall Park, and Elmendorf Park were available for enjoyment from 9:00 am to 9:00 pm through the Summer.

DEVELOPMENT SERVICES DEPARTMENT ISO RATING

Mrs. Sculley stated that last Fall, she had shared good news that the Development Services Department received from the Insurance Services Office (ISO). She stated that the ISO was an Independent Organization that rates Building Code Enforcement Departments on their effectiveness of enforcing Building Codes. She noted that the City of San Antonio was recognized as the first city in Texas and one of a dozen across the country to achieve an Exemplary Building Code Effectiveness Grade of 1 for Commercial Properties and 2 for Residential Properties. She congratulated the Development Services Team on their accomplishment.

LEGISLATIVE UPDATE

Jeff Coyle provide an update on the 85th Legislative Session. He reported that as of March 8, 2017; 1,026 bills had been filed in the House and 464 bills in the Senate. He noted that the Governor had declared four emergency items and the Senate had passed all four of them out of its Chamber. Councilmember Lopez asked if there was an opportunity for him to testify on Transportation Issues. Mr. Coyle replied that it would be good for the Legislature to hear from other Elected Representatives. Mayor Taylor thanked Mr. Coyle for the update.

ADJOURNMENT

There being no further discussion, Mayor Taylor adjourned the meeting at 3:00 pm.

APPROVED

IVY R. TAYLOR
MAYOR

ATTEST:

LETICIA M. VACEK, TRMC/CMC/MMC
CITY CLERK