

**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, September 13, 2018

9:00 AM

Municipal Plaza Building

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

PRESENT: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

1. The Invocation was delivered by Nick Lee, Secular Humanist, Americans United for Separation of Church and State, guest of Councilmember Ana Sandoval, District 7.
2. Mayor Nirenberg led the Pledge of Allegiance to the Flag of the United States of America.
3. Approval of Minutes for the City Council Special Meetings of August 21 - 22, 2018.

Councilmember Treviño moved to approve the Minutes for the City Council Special Meetings of August 21-22, 2018. Councilmember Shaw seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

POINTS OF PERSONAL PRIVILEGE

Mayor Nirenberg recognized Hispanic Heritage Month and stated that the celebration would kick-off on Friday, September 14th. Councilmember Treviño thanked Consul General Reyna who was a partner in this year's traditional "Grito" and stated that he looked forward to all of the great events that would be held.

Councilmember Perry stated that Morgan's Inspiration Island was designated as one of the Top 100 Places in the World by Time Magazine. He recognized Gordon Hartman, Founder of Morgan's Wonderland. Mr. Hartman thanked the City Council for the recognition. Ron Morander, General Manager, also thanked the City Council. The City Council commended Morgan's Wonderland on their designation.

CONSENT AGENDA ITEMS

Item 15 was pulled for Individual Consideration. Councilmember Treviño moved to approve the remaining Consent Agenda Items. Councilmember Shaw seconded the motion.

Mayor Nirenberg called upon Mr. Jack M. Finger to speak.

Jack M. Finger spoke in opposition to the Resolution of No Objection for Housing Tax Credits for the Mesa West Apartments (Item 17).

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

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ABSENT: 1 - Gonzales

2018-09-13-0715

5. Ordinance approving a contract for an interactive modular driving simulator/trainer system to be utilized by the Solid Waste Management Department (SWMD) from Virage Simulation for a total cost of \$259,955.00, funded from the FY 2018 Solid Waste Operating and Maintenance Fund. [Ben Gorzell, Chief Financial Officer; Troy

Elliott, Deputy Chief Financial Officer, Finance]

2018-09-13-0716

6. Ordinance approving a change order to the construction contract with SpawGlass Civil Construction in the amount of \$374,953.60 for the Terminal Area Taxiways, Package 3 project for storm water drain system improvements. [Carlos Contreras, Assistant City Manager; Russell Handy, Director, Aviation]

2018-09-13-0717

7. Ordinance approving a change order to the construction contract with SpawGlass Civil Construction, Inc. in the amount of \$897,281.80 for the Runway 13R Rehabilitation, Package 5 project at the San Antonio International Airport to increase the project limits to address soil conditions. [Carlos Contreras, Assistant City Manager; Russell Handy, Director, Aviation]

2018-09-13-0718

8. Ordinance amending the 2012 Combined Agreement with Riverview Tower Partners, Ltd. to extend the lease term for an additional five years for the Information Technology Services Department's continued use of 21,502 square feet of office space located at 111 Soledad and adding 8,390 square feet for use by the Planning Department at initial reduced monthly rental amount of \$43,981.50 and increasing to \$45,203.20 in the thirty-first month. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development and Operations]
9. Approving the following six ordinances for the acquisition of six conservation easements through the Proposition 1 Edwards Aquifer Protection Venue Project in the cumulative amount of \$9,149,560.79 for 2,146.807 acres over the Edwards Aquifer Recharge and Contributing Zones. [María Villagómez, Assistant City Manager; Xavier D. Urrutia, Director, Parks and Recreation]

2018-09-13-0719

- 9A. Ordinance approving the acquisition of a conservation easement over the Edwards Aquifer Recharge and Contributing Zones on a 135.4 acre tract of land known at the Gallagher Ranch located in Bexar County, Texas from Gallagher Headquarters Ranch Development Ltd., at a cost of \$1,408,607.75.

2018-09-13-0720

- 9B. Ordinance approving the acquisition of a conservation easement over the Edwards Aquifer Contributing Zone on three tracts of land totaling 606.487 acres known as the Gallagher Ranch located in Bexar and Medina Counties, Texas from Christopher C. Hill, at a cost of \$5,704,896.55.

2018-09-13-0721

- 9C. Ordinance approving the acquisition of a conservation easement over the Edwards Aquifer Recharge Zone on a 766.24 acre tract of land known as the 3T's Heritage Ranch located in Medina County, Texas from 3T's Heritage Ranch, LLC, at a cost of \$996,806.48.

2018-09-13-0722

- 9D. Ordinance approving the acquisition of a conservation easement over the Edwards Aquifer Recharge Zone on a 236.63 acre tract of land known as the Saunders Ranch in Medina County, Texas from The Saunders Family Trust Dated November 4, 2013, William Arnold Saunders and Dorothy Marie Saunders, Trustors and/or Trustees, at a cost of \$369,299.18.

2018-09-13-0723

- 9E. Ordinance approving the acquisition of a conservation easement over the Edwards Aquifer Recharge Zone on a 248.35 acre tract of land known as the Jimmy Bendele Ranch in Medina County, Texas from James Robert Bendele, at a cost of \$382,834.49.

2018-09-13-0724

- 9F. Ordinance approving the acquisition of a conservation easement over the Edwards Aquifer Recharge Zone on a 153.7 acre tract of land known as the Ray Bendele Ranch in Medina County Texas from Ray Allen Bendele, at a cost of \$287,116.34.

10. Approving the following Board, Commission and Committee appointments for the remainder of unexpired terms to expire May 31, 2019. Appointments are effective immediately if eight affirmative votes received, or ten days after appointment if passed with less than eight affirmative votes. [Leticia M. Vacek, City Clerk]

2018-09-13-0725

A) An Ordinance reappointing Randy K. Rice (District 7) to the San Antonio Housing Trust for the remainder of an unexpired term of office to expire May 31, 2019; and waiving the city code residency requirement in Chapter 2, Article IX, Sec. 2-529(b) for this appointment.

B) Reappointing Lora Devlon Eckler (District 6) to the San Antonio Public Library Board of Trustees effective October 1, 2018 for a term of office to expire September 30, 2020.

2018-09-13-0726

11. Ordinance approving the City Auditor's Fiscal Year 2019 Annual Audit Plan. [Kevin Barthold, City Auditor]

2018-09-13-0727

12. Ordinance rescheduling City Council Meetings in November, December, and January. [Leticia M. Vacek, City Clerk]

2018-09-13-0728

13. Ordinance approving a Professional Services Agreement with UTP Productions, Inc., to provide theatrical production labor services for events held at the Carver Community Cultural Center, for a three-year term, from October 1, 2018 through September 30, 2021, with two additional one-year extensions, for an estimated annual amount of \$50,000.00. [Carlos Contreras, Assistant City Manager; Patricia Muzquiz Cantor, Director, Convention & Sports Facilities]

2018-09-13-0729

14. Ordinance, for the San Antonio Water System, approving up to \$500,000,000 in City of San Antonio, Texas Water System Commercial Paper Notes, Series A, Series B, and Series C, providing replacement liquidity for an expiring credit facility, updating the Commercial Paper Notes Program components to allow future issuance flexibility, and approving an offering document. [Ben Gorzell Jr., Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]

2018-09-13-0730

16. Ordinance approving a Funding Agreement with the University of Texas at San Antonio in an amount not to exceed \$2,671,236.00, for a water quality demonstration project under the Proposition 1 Edwards Aquifer Protection Program for a period of three years. [María Villagómez, Assistant City Manager; Xavier D. Urrutia, Director, Parks and Recreation]

2018-09-13-0044R

17. Resolution of No Objection for Pedcor Investments, LLC's application to the Texas Department of Housing and Community Affairs for non-competitive 4% Housing Tax Credits program for the development of Mesa West Apartments, a 280 unit multi-family rental housing development located approximately at 10300 Ingram Road in Council District 6. [Peter Zaroni, Deputy City Manager; Veronica R. Soto, Director, Neighborhood and Housing Services]

CONSENT ITEMS CONCLUDED

ACTION ITEMS FOR STAFF BRIEFING

City Clerk Vacek read the captions for Items 4A-4F:

4. Approving the following ordinances related to the Fiscal Year 2019 Operating and Capital Budget and Tax Year 2018: [Sheryl Sculley, City Manager; Justina Tate, Director, Management and Budget]

2018-09-13-0709

- 4A. Ordinance adopting the Annual Consolidated Operating and Capital Budgets for the City of San Antonio Fiscal Year 2019 that begins October 1; approving projects included in the FY 2019 to FY 2023 Five-Year Infrastructure Management Plan; approving the FY 2019 to FY 2024 Six-Year Capital Improvements Program for the City of San Antonio; approving certain contracts; providing for a one-time annuity increase for retirees and their beneficiaries and a revision to the City's contribution rate in connection with the Texas Municipal Retirement System; authorizing personnel complements; appropriating funds; and amending related ordinances.

Sheryl Sculley presented an overview of the Proposed Budget for FY 2019 totaling \$2.8 billion which includes General Funds, Restricted Funds, and the Capital Budget. She noted that there was no city property tax rate increase and that the budget addresses City Council and Community Priorities to include: 1) Streets, Sidewalks, and Transportation; 2) Affordable Housing; 3) Filling Police Vacancies; 4) Animal Care Services; and 5) Parks & Libraries. She provided a list of budget amendments that were included in the FY 2019 Budget.

Mayor Nirenberg called upon the citizens registered to speak.

Kenny Wilson of Haven for Hope spoke in favor of the budget and thanked the City Council for their continued support.

Malena Gonzalez-Zid, Cristina Bahi, and Ben Tremillo representing the Westside Arts Coalition spoke in support of the budget. Ms. Gonzalez-Zid highlighted their work and collaboration to promote and present Latino Arts and Artists. Ms. Bahi stated that she was pleased with the investment in the culture of San Antonio. Mr. Tremillo stated that the funding would go a long way.

Robert Mueller, Becky Alvarez, and Luis Vargas representing the House of Neighborly Services spoke in support of the budget and noted the funds would provide for updates to their 90-year-old building. Participants Luis and Becky spoke of their experiences and expressed support for the funding.

Elizabeth Eguia-Garcia and Willie Ng representing the Maestro Entrepreneur Center addressed the City Council in support of the budget. Ms. Eguia-Garcia stated that they were a small business incubator that predominantly serves minorities, women, and veterans. Mr. Ng added that they were dedicated to helping small businesses survive.

Jerry Saavedra representing the American Heart Association spoke in support of the funding for sidewalks and bike lanes. He noted that walkable neighborhoods promote physical activity and help lower the risk of heart issues.

Diana Uriegas spoke in support of funding in the budget for affordable housing.

Jack M. Finger stated that although property taxes were not increasing; property values were increasing. He spoke in opposition to the funding for affordable housing and delegate agencies.

Councilmember Gonzales stated that the FY 2019 Budget reflected the inclusivity, wellness, and wholeness of the city. She highlighted the funding to address homelessness, economic development, and health initiatives, as well as funding for the Westside Arts Coalition, Hispanic Chamber Maestro Business Incubator Operations, and House of Neighborly Services. She thanked everyone involved in the budget process.

Councilmember Viagran recognized everyone involved in the budget process and noted the great work of the Mayor's Housing Task Force. She highlighted the funding for the Westside Arts Coalition and investments in public safety, infrastructure, parks, and code enforcement. She stated that she was pleased with the partnership with the University of the Incarnate Word School of Osteopathic Medicine that would help provide fresh produce and food options for District 3 Residents.

Councilmember Pelaez highlighted the traffic signal that would be installed in front of Brandeis High School and the repairs that would be made to the Bob Ross Senior Center. He noted the increase in panhandling which was a health and safety issue. He stated that he was pleased with the funding for various delegate agencies that would address domestic violence, veteran services, hunger, and pediatric asthma.

Councilmember Treviño expressed support for the funding allocated for sidewalks and investments in affordable housing, public safety, creekways, and parks projects. He highlighted the Under One Roof Program, Youth Re-engagement Center, and the Pediatric Managing Asthma through Care Management in Homes (PMATCH) Initiative.

Councilmember Perry thanked everyone that participated in the budget process and stated that he was pleased with the great amount of community engagement.

Councilmember Brockhouse stated that he was pleased to support funding for the Westside Arts Coalition and highlighted the funding to address Military Veteran and Spouse Employment.

Councilmember Courage expressed support for the budget and noted that he had utilized a participatory budgeting process in District 9.

Councilmember Saldaña spoke of the eight budgets that he has participated in the adoption since serving as a Councilmember and noted the significant progress over the years. He expressed support for affordable housing and the investments in VIA Metropolitan Transit.

Councilmember Sandoval stated that she was pleased with the funding allocated to address infrastructure in District 7.

Mayor Nirenberg thanked everyone that participated in the budget process and highlighted the SA Speak-Up Program. He stated that the budget was a continuous process and he was pleased with the basic services to include streets, sidewalks, and public safety addressed in the budget. He highlighted the funding for affordable housing and the equity framework utilized to develop the budget.

Councilmember Treviño recused himself from voting on the funding in the budget for the Bexar Appraisal District by exiting the Council Chambers and noting that he had submitted the recusal forms to the City Clerk.

Councilmember Saldaña moved to approve the funding in the Budget for the Bexar Appraisal District. Councilmember Shaw seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ABSTAIN: 1 - Treviño

Councilmembers Treviño and Viagran recused themselves from voting on the funding in the budget for Visit SA by exiting the Council Chambers and noting that they had submitted their recusal forms to the City Clerk.

Councilmember Saldaña moved to approve the funding in the Budget for Visit SA. Councilmember Shaw seconded the motion. The motion prevailed by the following vote:

AYE: 9 - Mayor Nirenberg, Shaw, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ABSTAIN: 2 - Treviño and Viagran

Councilmember Shaw recused himself from voting on the funding in the budget for the Lyftfund Loan Fund Buy Down Program, SA2020, and San Antonio Chamber of Commerce by exiting the Council Chambers and noting that he had submitted the recusal forms to the City Clerk.

Councilmember Saldaña moved to approve the funding in the Budget for Lyftfund Loan Fund Buy Down Program, SA2020, and San Antonio Chamber of Commerce. Councilmember Viagran seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ABSTAIN: 1 - Shaw

Councilmember Saldaña recused himself from voting on the funding in the budget for Communities in Schools and the San Antonio Humane Society by exiting the Council Chambers and noting that he had submitted the recusal forms to the City Clerk.

Councilmember Treviño moved to approve the funding in the Budget for Communities in Schools and the San Antonio Humane Society. Councilmember Viagran seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ABSTAIN: 1 - Saldaña

Mayor Nirenberg and Councilmember Saldaña recused themselves from voting on the

funding in the budget for items related to HEB by exiting the Council Chambers and noting they had submitted their recusal forms to the City Clerk.

Councilmember Treviño moved to approve the funding in the Budget for items related to HEB. Councilmember Shaw seconded the motion. The motion prevailed by the following vote:

AYE: 8 - Treviño, Shaw, Viagran, Gonzales, Brockhouse, Sandoval, Pelaez, and Perry

ABSENT: 1 - Courage

ABSTAIN: 2 - Mayor Nirenberg and Saldaña

Mayor Nirenberg and Councilmember Courage recused themselves from voting on the funding in the budget for BioMedSA by exiting the Council Chambers and noting they had submitted their recusal forms to the City Clerk.

Councilmember Saldaña moved to approve the funding in the Budget for BioMedSA. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 9 - Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, and Perry

ABSTAIN: 2 - Mayor Nirenberg and Courage

Mayor Nirenberg recused himself from voting on the funding in the budget for CPS Energy, San Antonio Economic Development Corporation, San Antonio Economic Development Foundation, Hispanic Chamber of Commerce, Project QUEST, San Antonio Mobility Coalition, Texas Municipal League, US Conference of Mayors, Anuja San Antonio, Musical Bridges Around the World, and Sister Cities International by exiting the Council Chambers and noting that he had submitted the recusal forms to the City Clerk.

Councilmember Saldaña moved to approve the funding in the Budget for for CPS Energy, San Antonio Economic Development Corporation, San Antonio Economic Development Foundation, Hispanic Chamber of Commerce, Project QUEST, San Antonio Mobility Coalition, Texas Municipal League, US Conference of Mayors, Anuja San Antonio, Musical Bridges Around the World, and Sister Cities International. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ABSTAIN: 1 - Mayor Nirenberg

Councilmember Brockhouse recused himself from voting on the funding in the budget for the Northside Independent School District by exiting the Council Chambers and noting that he had submitted the recusal forms to the City Clerk.

Councilmember Saldaña moved to approve the funding in the Budget for the Northside Independent School District. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Sandoval, Pelaez, Courage, and Perry

ABSTAIN: 1 - Brockhouse

Councilmembers Sandoval, Pelaez, and Perry recused themselves from voting on the funding in the budget for the Alamo Area Council of Governments by exiting the Council Chambers and noting that they submitted the recusal forms to the City Clerk.

Councilmember Saldaña moved to approve the funding in the Budget for the Alamo Area Council of Governments. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 8 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, and Courage

ABSTAIN: 3 - Sandoval, Pelaez, and Perry

Councilmember Pelaez recused himself from voting on the funding in the budget for Family Violence Prevention Services by exiting the Council Chambers and noting that he had submitted the recusal forms to the City Clerk.

Councilmember Saldaña moved to approve the funding in the Budget for Family Violence Prevention Services. Councilmember Viagran seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Courage, and Perry

ABSTAIN: 1 - Pelaez

Councilmember Courage recused himself from voting on the funding in the budget for the San Antonio Education Partnership by exiting the Council Chambers and noting that he had submitted the recusal forms to the City Clerk.

Councilmember Saldaña moved to approve the funding in the Budget for the San Antonio Education Partnership. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, and Perry

ABSTAIN: 1 - Courage

Councilmember Perry moved to remove the General Fund allocation to the programs from the Mayor's Housing Taskforce Recommendations in the amount of \$9,593,325 and to distribute those funds evenly among all ten Council District IMP Funds; and to remove the proposed increase to the fees in the Parking and Operations Maintenance Fund. Councilmember Brockhouse seconded the motion. The motion failed by the following vote:

AYE: 2 - Brockhouse and Perry

NAY: 9 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Sandoval, Pelaez, and Courage

Councilmember Saldaña moved to approve the balance of the Budget, as amended today. Councilmember Treviño seconded the motion. The motion to approve prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

2018-09-13-0710

4B. Ordinance ratifying the adoption of the FY 2019 Budget that will require raising more revenue from property taxes than in the FY 2018 Budget.

Councilmember Saldaña moved to ratify the adoption of the Budget. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

2018-09-13-0711

- 4C.** Ordinance setting the Ad Valorem Tax Rate for Maintenance and Operation of the City of San Antonio at 34.677 cents per \$100 of taxable valuation for the Tax Year beginning on January 1, 2018 and ending on December 31, 2018.

Councilmember Saldaña moved that property taxes be increased by the adoption of a Maintenance & Operation Tax Rate of 34.677 cents per \$100 of taxable valuation, which is effectively a 2.88 percent increase in the tax rate. Councilmember Treviño seconded the motion.

Councilmember Brockhouse moved to amend the main motion to amend the Ad Valorem Tax Rate for Maintenance and Operations from 34.677 cents per \$100.00 of taxable valuation to 34.3302 cents per \$100 of taxable valuation for the Tax Year beginning on January 1, 2018 and ending on December 31, 2018. The reduction of projected revenues of \$3.9 million to reduce the General Fund allocation for programs from the Mayor's Housing Taskforce Recommendations. Councilmember Perry seconded the motion.

Councilmember Perry stated that San Antonio was the only large city in Texas that did not provide a homestead exemption. Councilmember Brockhouse concurred with the need for a homestead exemption in San Antonio.

The motion by Councilmember Brockhouse failed by the following vote:

AYE: 2 - Brockhouse and Perry

NAY: 9 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Sandoval, Pelaez, and Courage

The main motion to approve the Ad Valorem Tax Rate by Councilmember Saldaña prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, and Courage

NAY: 1 - Perry

2018-09-13-0712

- 4D.** Ordinance setting the Ad Valorem City Property Tax Rate to pay the principal and interest on the funded debt of the City of San Antonio at 21.150 cents per \$100 of taxable valuation for the tax year beginning on January 1, 2018 and ending on December 31, 2018.

Councilmember Saldaña moved that taxes be increased by the adoption of a Debt Service Tax Rate of 21.150 cents per \$100 of taxable valuation, which is effectively a 2.88 percent increase in the tax rate. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, and Courage

NAY: 1 - Perry

2018-09-13-0713

4E. Ordinance establishing new fees and amending fees as included within the FY 2019 Budget in the General Fund and within the Restricted Funds of Carver Special Revenue Fund; Solid Waste Operating and Maintenance Fund; Parking Operation and Maintenance Fund; Storm Water Operating Fund; and amending the City Code of San Antonio, Texas to reflect such changes.

Councilmember Saldaña moved to approve the Fee Ordinance, Item 4E. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

2018-09-13-0714

4F. Ordinance carrying forward certain FY 2018 Funds; amending prior appropriations; appropriating Funds for requirements in City projects and departments; and appropriating funds.

Councilmember Saldaña moved to approve the Closing Ordinance, Item 4F. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ITEM PULLED FOR INDIVIDUAL CONSIDERATION

City Clerk Vacek read the caption for Item 15:

2018-09-13-0043R

15. Resolution approving the issuance by the Clifton Higher Education Finance

Corporation of its Education Revenue Bonds (IDEA Public Schools) Series 2018 in a maximum amount of \$220,000,000 for purposes of Section 147(f) of the Internal Revenue Code. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

Ben Gorzell provided background information on IDEA Public Schools noting that they were a 501(c)(3) nonprofit organization. He stated that tax-exempt financing was authorized through a state-approved conduit but required approval from the governmental unit where the project is located. He noted that the Clifton Higher Education Corporation was financing the construction and equipping several IDEA Schools throughout the State of Texas. He stated there were three existing campuses in San Antonio with a new campus located at 10434 Marbach Road. He outlined the Bond Structure in which the amount would not exceed \$220 million for a term of 30 years. He added that bonds were not a debt or liability of the City of San Antonio and that the Resolution by the City Council would satisfy the requirements of Section 147(f) of the Internal Revenue Service Code.

Mayor Nirenberg called upon the citizens registered to speak.

Shelly Potter stated that she was a former teacher and opposed to the Resolution. She expressed concern that Charter Schools were privately operated but received public funding.

Tom Cummins stated that he was representing the San Antonio AFL-CIO and Bexar County Federation of Teachers in opposition to the Resolution. He noted that the bonds would harm public schools and taxpayers.

Jillian Trejo stated that she was employed by IDEA Schools and her three children attended school at their campuses. She spoke of the high quality of education at IDEA Schools.

Herb Lenton stated that he was the parent of a kindergarten student at an IDEA School and expressed support for the Resolution.

Chris Moore stated that his children also attended IDEA Schools and he was supportive of the Resolution due to their level of excellence and challenging curriculum.

Ian Nolan stated that he was an Assistant Principal at an IDEA Campus and expressed support for the Resolution. He noted their world-class curriculum and free tuition.

Anna Farias-Gonzalez stated that she was also an Assistant Principal at an IDEA Campus and spoke of the experiences of her child attending an IDEA School.

Councilmember Courage thanked Mayor Nirenberg for the transparency in bringing the item

to the full City Council; however, he stated that he was not supportive of the Resolution due to the negative impact to public schools. He noted that he had received phone calls from several Superintendents, Teachers, and local community members opposing the Resolution.

Councilmember Courage moved to deny the Resolution. Councilmember Viagran seconded the motion.

Councilmember Viagran spoke of the need for accountability and responsibility and expressed concern with the issuance of tax-exempt bonds.

Councilmember Treviño expressed support for the Resolution noting that IDEA Schools were a good example of Charter Schools fulfilling their mission. He also proposed working to ensure that public schools are competing on a level playing field with Charter Schools. Councilmember Perry stated that all schools have a place in the city and expressed support for the Resolution .

Councilmember Sandoval stated that there was a resource issue at the State Level regarding the distribution of education funding. She noted that she could not vote in favor or against the Resolution at this time.

Councilmember Pelaez confirmed that the City Council was voting on whether or not the income or interest on the bonds was taxable under the IRS Code Section 147(f). Mr. Gorzell stated that was correct.

Councilmember Pelaez moved to approve the Resolution for Item 15. Councilmember Treviño seconded the motion.

Councilmember Brockhouse expressed his support for the Resolution but noted that a broader conversation must occur with the State Legislature regarding the education system. Councilmember Shaw stated that he was supportive of the Resolution. Mayor Nirenberg concurred that a larger policy discussion must occur in the State Legislature and expressed support for the Resolution. He added that approval of the Resolution did not affect the City of San Antonio fiscally.

The motion to deny the Resolution failed by the following vote:

AYE: 2 - Viagran and Courage

NAY: 8 - Mayor Nirenberg, Treviño, Shaw, Saldaña, Gonzales, Brockhouse, Pelaez, and Perry

ABSTAIN: 1 - Sandoval

The motion to approve the Resolution prevailed by the following vote:

AYE: 8 - Mayor Nirenberg, Treviño, Shaw, Saldaña, Gonzales, Brockhouse, Pelaez, and Perry

NAY: 2 - Viagran and Courage

ABSTAIN: 1 - Sandoval

18. City Manager's Report

There was no City Manager's Report.

EXECUTIVE SESSION

Mayor Nirenberg recessed the meeting at 12:37 pm to continue the previous day's Executive Session to discuss the following:

A. ECONOMIC DEVELOPMENT NEGOTIATIONS PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.087 (ECONOMIC DEVELOPMENT).

RECONVENED

Mayor Nirenberg reconvened the meeting at 2:20 pm and announced that no action was taken in Executive Session.

ADJOURNMENT

There being no further discussion, Mayor Nirenberg adjourned the meeting at 2:20 pm.

APPROVED

RON NIRENBERG
MAYOR

ATTEST:

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