

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



**Meeting Minutes
City Council B Session
City Hall Complex
105 Main Plaza
San Antonio, Texas 78205**

Wednesday, September 11, 2019

2:00 PM

Municipal Plaza Building

The City Council of San Antonio convened in the City Council Chambers of the Municipal Plaza Building. Interim Deputy City Clerk Tina Flores took the Roll Call noting a quorum with the following Councilmembers present:

PRESENT: Mayor Nirenberg, Treviño, Andrews-Sullivan, Viagran, Rocha Garcia, Gonzales, Cabello Havrda, Sandoval, Pelaez, Courage, and Perry.

1. Staff presentation and possible action on Potential Amendments to the FY 2020 Proposed Operating and Capital Budget. [Erik Walsh, City Manager; Justina Tate, Director, Management and Budget]

Mayor Nirenberg stated that the purpose of the meeting was to discuss potential budget amendments before the budget adoption on September 12, 2019.

City Manager Walsh circulated an updated list of potential budget amendments noting three minor changes. He stated that on September 4, 2019 he had a conversation with CPS Energy and stated that CPS Revenue was approximately \$3 million above the projected budget. He noted the final estimate for CPS was \$7.8 million adding that the increase was generated outside the CPS Service Area.

City Manager Walsh noted that the three minor amendments included the actual Citizens Advisory Group requested by Mayor Nirenberg for advanced public participation. The second amendment added was to increase each Council District NAMP Budget by \$22,500 for a total of \$222,500 in FY 2020 and FY 2021. The third amendment was an adjustment requested by Councilmember Perry for Thousand Oaks and Jones Maltsberger (\$139k); and relocation of Daughters of the American Revolution Marker

on Higgins (\$26k). He indicated that he added the revenue idea by Councilmember Courage to increase the fee for utility poles as it relates to 5G Service from \$250 to \$252.25. City Manager Walsh noted those were the only changes that had been made to the list of budget amendments previously presented on Wednesday, September 4, 2019.

Ben Gorzell presented on two main topics of the CPS Payment and Reserves for the impact of SB 2 beginning FY 2021. Mr. Gorzell noted that CPS would make a payment of \$46.1 million for the month of August which exceeded the initial projection estimate by \$7.8 million. He mentioned that was the highest monthly payment made by CPS (last June - \$41.7 million). Mr. Gorzell stated that the increase was the result of off-system sales which is the sale of excess power by CPS to the ERCOT Market. He noted that the increase was not derived from CPS rate payers. He noted that the typical range of monthly revenues of off-system sales was \$1 million to \$3 million.

Mr. Gorzell reported the second item was to set aside \$2.1 million for the impact of SB 2 in FY 2021. He described how CPS' rate of growth varied annually and that staff strives to identify anomalies for onetime expenditures versus recurring expenditures. He mentioned that off-system sales and fuel prices fluctuated and for that reason aligns better with one-time budget expenditures. Mr. Gorzell added that the City could not add recurring expenses based on assumptions.

Mayor Nirenberg stressed that the \$5 million increase from CPS revenue was an anomaly and should be viewed as one-time source of revenue. Mayor Nirenberg asked of the how forecast going forward. Mr. Gorzell reported that he had not updated FY 2020 or FY 2021 for off-systems sales yet.

Mayor Nirenberg asked what the average amount of revenue that is usually amended in the City Budget after it was proposed. Mrs. Villagomez reported that when budget amendments were proposed; the monthly July CPS Check of approximately \$3.5 million had been received and utilized for same. Mayor Nirenberg expressed his support for the recommendations made by staff and the prudence of the \$2 million SB 2 Reserve Fund.

Councilmember Viagran supported the \$2 million SB 2 Reserve Fund. She also requested clarification for the maintenance of Non-service Alleys in Council District 7 because the Budget Presentation for TCI listed Nonservice Alley Repairs at \$1.3 million which was \$650,000 for FY 2020 and FY 2021. She noted that the follow-up memo had Service Alleys in Council Districts 1, 3, 5, and 7 to be repaired in FY 2020. She asked if that was the \$1.3 million presented by TCI. City Manager Walsh reported that it was a two-year plan however; they are essentially moving the second year up into the first year for FY 2020. Mr. Hosseini reported that altogether 36 alleys were planned out for FY 2020, and the remaining 17 alleys in FY 2021.

Councilmember Viagran thanked City Manager Walsh and Council Colleagues for supporting the Police Substation in Council District 3. She asked that the \$500,000 FY 2021 Preliminary Work Funding allocated to the Proposed Substation be moved to FY 2020 instead. City Manager Walsh agreed to move the funding to FY 2020.

Councilmember Viagran asked if City Employees would receive a COLA in addition to the Step Increase or Performance Pay. City Manager Walsh reported that there was no COLA allocated this fiscal year. Councilmember Viagran asked if City Employees received a parking stipend. Ms. Steward reported that City Employees receive a \$65 per month stipend if parking was not provided. Ms. Steward added that the parking allowance was initially \$45 per month and was increased to \$65

monthly in FY 2018. Councilmember Viagran asked how much it would cost to provide 1% COLA to employees that were eligible for performance pay. Mr. Gorzell reported that the cost was \$2.3 million for 1% COLA only to those eligible for performance pay.

Councilmember Viagran questioned the proposed amendment of \$150,000 regarding the Sunken Gardens Theater Market Analysis. Mrs. Villagomez reported that the request was made by the Brackenridge Park Conservancy and that they were matching funds of \$150,000. She noted that a Market Anticipatory Analysis was needed before improvements could be made. Mrs. Villagomez reported that the funding was for actual activation of the theater.

Councilmember Treviño highlighted the budget amendment language recommendation related to the review of the pay structure and analysis of the essential job functions of City Council Aides. He noted that he had requested the adjustment for City Council Aide Compensation since September, 2016 (B Session). He suggested that another six month delay was not needed. He proposed a January 2020 effective date and an additional funding amount equal-to or an adjustment of three-quarters the amount of \$979,070 in FY 2021. Councilmember Treviño noted that the market analysis evaluating the compensation structure in other municipalities would provide interesting data.

Councilmember Treviño asked for confirmation regarding the initial Council Aide Budget Recommendation for Parking, IRA, and Healthcare Categories have an effective date of October 1, 2019. City Manager Walsh reported that the amount included in the proposed budget was \$263,000; to be used for the 3% increase for each Council Aide, 401-K Match, Parking, and an additional amount for health incentives. He reported that they are all effective October 1, 2019 and was fully funded.

Councilmember Andrews-Sullivan thanked City Manager Walsh for the Martin Luther King Jr. Commission Funding she requested. She asked if the \$250,000 allocation for the owner-occupied rehab was going to be in conjunction with the existing program or was an addition. Mrs. Houston reported that the \$250,000 was already built into the Affordable Housing Budget and would be focusing on Districts 1 through 5 and that at least 10 homes would be completed in all 5 Districts.

Councilmember Andrews-Sullivan asked if she was able to choose the Delegate Agency to partner with regarding the Second Chance Initiative that she proposed for District 2. City Manager Walsh reported that the City has existing agreements with Delegate Agencies and that the scope had to be defined to ensure the goals could be achieved. He noted that after the scope was defined proposals would be sought and then evaluated to ensure success of the Pilot Program.

Councilmember Sandoval requested information regarding the excess capacity that CPS had throughout the year. She also requested if CPS sold every bit of excess capacity. Mr. Gorzell noted that he provide a report. Councilmember Sandoval requested a report of what CPS planned for their revenue of approximately \$50 million since the City's payment was \$7.8 million for the month. Councilmember Sandoval proposed that the City consider a renewable investment with the money that in the long run can pay for itself if there were off-system sales in the future.

Councilmember Sandoval advocated for a slightly larger amount for the Mexican-American Civil Rights Institute. She also supported Council Aide Pay, decent benefits, good working conditions, and job satisfaction. She noted that the City was only competitive in the job satisfaction category.

Councilmember Cabello Havrda advocated for a dedicated Animal Care Officer for District 6. She also

expressed support for the Mexican American Civil Rights Institute.

Councilmember Gonzales asked why there was a reduction in the proposed budget for the Mexican American Civil Rights Institute. City Manager Walsh reported that the City was allocating \$250,000 over the next two years and the Institute was pursuing additional funding from Bexar County and other partners. Councilmember Gonzales requested that \$250,000 be allocated over two years.

Councilmember Pelaez asked if the Maestro Center was receiving \$25,000 FY 2020 and \$25,000 FY 2021. Mr. Sindon reported that currently the City funds \$50,000 for their Culinary Kitchen Incubator and that they had requested an additional \$50,000 for the Grow SA Campaign.

Councilmember Rocha Garcia requested a briefing at a later date regarding the funding for a contractor to continue facilitation of the Citizen Advisory Group for advancing public participation. Mr. Coyle provided a briefing noting that the Council passed a set of public participation principles and the City Manager issued minimum standards for departments to improve efforts to meaningfully engage the public. He noted that there was initially a CCR then subsequently a memo from Mayor Nirenberg and Councilmember Sandoval requesting additional items of which one was to create a Citizens Advisory Committee. Mr. Coyle added that funding was provided to seek a professional facilitator.

Councilmember Rocha Garcia expressed her support for the Maestro Business Incubator to include \$25,000 for FY 2020 and \$25,000 for FY 2021. City Manager Walsh clarified if Councilmember Rocha Garcia was requesting \$50,000 up front or split out equally between two fiscal years. She requested that \$25,000 be allocated for FY 2020 and FY 2021 for a total of \$50,000.

Councilmember Rocha Garcia also noted her support for Council Aide Compensation and was willing to wait for the Governance Committee discussion with a January effective date.

Councilmember Viagran asked if the Maestro Business Incubator Center had an advisory board or a board of directors. City Manager Walsh stated he would inquire and report back. She expressed the importance of being the only entity funding for the project to ensure the City's position was carried out.

Councilmember Viagran expressed support for Council Aide Compensation and asked if Council Aides received an increase since 2016. Mrs. Villagomez reported that in 2016 Council Aides received a 2% increase; 2017 Council Aides received a 4% increase; 2018 Council Aides received a 10% increase; and in 2019 they received an 18% increase; additionally the number of FTEs increased from six to 7. She indicated that the FY 2020 proposed increase includes a 3% increase. Councilmember Viagran requested a report of compensation for all employees to include contract staff, council aides, part-time, and full-time city employees.

Councilmember Perry requested an average cost of budget amendments within the past five years. Mrs. Villagomez reported that the City utilizes a two-year balanced budget policy and that the one year average was \$8.3 million with a two-year impact. Councilmember Perry confirmed that the amount was annualized. Mrs. Villagomez reported that was correct. Councilmember Perry questioned if that meant approximately \$40 had been requested for budget amendments over the past five years. Mrs. Villagomez stated that he was correct. Councilmember Perry noted that did not include mid-year reviews. Mrs. Villagomez confirmed same. Councilmember Perry requested an analysis of surplus funding that can be considered to be returned to the taxpayer instead of the City spending all the money. He suggested a Rollback of property taxes, CPS, or SAWS Rates.

Councilmember Courage explained that the \$7.8 million received from CPS was not from San Antonio rate payers. He added that the funds were generated by selling excess energy on the Open Market. Councilmember Courage commended City Manager Walsh for having the foresight to set aside \$2 million for next budget year. Councilmember Courage suggested that the city save the funds to ensure financial security rather than replenishing the General Fund in the amount of \$1 million since the City submitted for reimbursement regarding the Migrant Resource Center.

City Manager Walsh summarized the suggestions made regarding Council Aide Compensation. He added that a full analysis would be completed to measure San Antonio with other Cities and would seek input from the classification and compensation standpoint then report same to the Governance Committee.

Mayor Nirenberg stated that Council Aide Compensation would be addressed at the Governance Committee and added that the effective date of any policy would be subject to full City Council deliberation.

EXECUTIVE SESSION

Mayor Nirenberg recessed the meeting at 4:04 p.m. to discuss the following items:

- A. Economic development negotiations pursuant to Texas Government Code Section 551.087 (economic development).
- B. The purchase, exchange, lease or value of real property pursuant to Texas Government Code Section 551.072 (real property).
- C. Legal issues related to collective bargaining pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- D. Legal issues related to litigation involving the City pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- E. Legal advice regarding Budget recusals pursuant to Texas Government Code Section 551.071 (consultation with attorney).

Mayor Nirenberg reconvened the meeting at 6:12 pm and announced that no action was taken.

PUBLIC HEARING

Mrs. Flores read the caption of the Public Hearing.

- 2. Public Hearing on the proposed FY 2020 Storm Water Utility fee. [Roderick Sanchez, Assistant City Manager; Razi Hosseini, Interim Director, Transportation & Capital Improvements]

Mayor Nirenberg declared the Public Hearing open noting that there were no individuals registered to speak. He declared the Public Hearing closed and announced that the City Council will vote on the City of San Antonio Property Tax Rate for Tax Year 2019 at its meeting on Thursday, September 12, 2019.

PUBLIC COMMENT

The following individuals addressed Council during Public Comment:

Nazarite Ruben Flores Perez asked City Council to consider a cost of living increase for all City Employees. He added that he was former City Employee and would advocate for same.

Alice Cortez stated that her home was not in the floodplain, however; her insurance has increased because her insurance company believes her home is in the floodplain. She requested a letter from the City noting that her home was not located in the floodplain.

Henrietta La Grange noted that she had the same problem as Alice Cortez regarding her home. She mentioned that she had spoken with every elected official who represents her area. She requested a letter from the City noting that her home was not in the floodplain.

Andy Felth stated that he was a volunteer member of SAPD Hope Team ID Recovery. He added that their funds had been exhausted, but hoped to assist more people gain or recover their IDs. He noted that the ID Recovery Team helps people of all backgrounds. He thanked Council for their support and touted the program's success and growth.

Rudolph Wratten stated that the U.S. Department of Justice wanted to change his identity and relocate him but he said that was too difficult. He added he can monitor everything over unsecured radio channels.

Susan Blumhorst stated that Elder Care was in crisis especially the lower income seniors. She noted that she would like to meet with Councilmembers to discuss her proposals for private care homes to help address the crisis.

Mike Berryman stated that he was a volunteer with SAPD Hope Team and expressed the benefits and positive impact of their Team.

Gilbert Saenz noted that he filed for bankruptcy a few years ago and lost everything including his apartment; his car was stolen and became homeless. He added that without identification he could not apply for a job or apply for social services. He described the assistance he received from the SAPD Hope Team and was able to get his life back on track.

Ginger Treanor stated that she was the Pastor of the SAPD Hope Team. She added that funding for this program was extremely important. She noted that cost to obtain a new ID was \$16. She discussed various homeless initiatives and added that the Hope Team needed funding.

Idalia Cumpian spoke on behalf of victims of domestic violence as she had experienced domestic violence. She stated that the District Attorney's Office was treating her unfairly. She added that the District Attorney would not consider previous assault cases and felt betrayed by the Justice System.

Otis Thompson spoke about the Martin Luther King Jr. Park. He noted that he was the Republican Party Precinct Chairman on East Side. He added that the Park needed to be developed as a tourist destination.

Dewayne Nelson stated that he was the Vice Chair of the Building Standards Board (BSB). He requested support from the Councilmembers to appoint members to the BSB.

Evelyn Brown stated that she was the Chair of the BSB and mentioned that many properties were in need of repair. She added that some were deemed dangerous and that most property maintenance involved senior citizens on fixed income. She suggested that action be considered using volunteer citizen groups to make small improvements.

Paul Ruiz President of National Institute of MA History of Civil Rights described their purpose and requested funding from the City. He noted that the Institute was not a museum and had no other funds at their disposal. He added that no city across US has been as integral to Mexican American civil rights. He acknowledged the support from Councilmembers Sandoval, Gonzales, and Trevino.

Dr. Gloria Rodriguez representative of the National Institute of MA History of Civil Rights noted that City Council has an opportunity to put San Antonio on the map. She asked for a planning grant of \$250,000 per year for two years to help create the first ever Institute of Mexican American Civil Rights. The center would serve as a monument and opportunity for education to inspire youth.

Olga Kauffman representative of the National Institute of MA History of Civil Rights thanked Councilmembers Sandoval, Gonzales, and Trevino for their support. She noted that she grew up bilingual, which helped in her education and was very fortunate to have learned Mexican History from her parents and Texas History from school. She added said opportunity be available to all children.

Ezequiel Pena representative of the National Institute of MA History of Civil Rights and affiliated with OLLU read excerpts from the President of OLLU. He added that OLLU had been a partner in education about Mexican American civil rights and welcomed the partnership.

Albert Newton representative of the National Institute of MA History of Civil Rights and Cofounder of Ignite the Vote Project noted they strive to educate and inspire people to vote. He added that San Antonio could be first in the country to have such an institute.

Velma Ybarra representative of the National Institute of MA History of Civil Rights stated that Civil Rights were a standard that should be taught to children and their families. He added that the Institute should highlight equal and fair treatment of individuals and thanked City Council members for their consideration of funding for the Institute.

ADJOURNMENT

There being no further discussion, Mayor Nirenberg adjourned the meeting at 7:12 pm.

APPROVED

RON NIRENBERG
MAYOR

Attest:

TINA J. FLORES, LPEC

Interim Deputy City Clerk