

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



**Meeting Minutes
City Council B Session**

Council Briefing Room
City Hall
100 Military Plaza
San Antonio, Texas 78205

2023 – 2025 Council Members

Mayor Ron Nirenberg
Dr. Sukh Kaur, Dist. 1 | Jalen McKee-Rodriguez, Dist. 2
Phyllis Viagran, Dist. 3 | Dr. Adriana Rocha Garcia, Dist. 4
Teri Castillo, Dist. 5 | Melissa Cabello Havrda, Dist. 6
Marina Alderete Gavito, Dist. 7 | Manny Pelaez, Dist. 8
John Courage, Dist. 9 | Marc Whyte, Dist. 10

Wednesday, March 20, 2024

2:00 PM

Council Briefing Room

The City Council convened a B Session meeting in the Council Briefing Room beginning at 2:05 PM. City Clerk Debbie Racca-Sittre took the Roll Call noting a quorum with the following Council Members present:

PRESENT: 11 – Nirenberg, Kaur, McKee-Rodriguez, Viagran, Rocha Garcia, Castillo, Cabello Havrda, Alderete Gavito, Pelaez, Courage, Whyte

ABSENT: None

EXECUTIVE SESSION

Mayor Nirenberg recessed the meeting into Executive Session at 2:06 p.m. to discuss the following:

- 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 LITIGATION INVOLVING THE CITY PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- D. LEGAL ISSUES RELATING TO EMERGENCY PREPAREDNESS PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- E. LEGAL ISSUES RELATED TO COLLECTIVE BARGAINING PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**
- F. LEGAL ISSUES RELATED TO CONTRACTS WITH BUSINESS DEVELOPMENT ORGANIZATIONS PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY).**

Mayor Nirenberg reconvened the meeting in Open Session at 2:36 p.m. and announced that no official action had been taken in Executive Session.

ITEMS

1. Briefing on Solid Waste Management Department's contract for landfill disposal services. [David W. McCary, Assistant City Manager; David Newman, Director, Solid Waste Management Department]

City Manager Erik Walsh introduced the Item and Josephine Valencia, Assistant Director of the Solid Waste Management Department (SWMD) who provided an overview of current contracts which included three contracts, two of which were traditional contracts and the third was a combined contract for transfer and disposal services.

According to Valencia, R4 Strategies had been hired to assist with development of the Landfill Request for Proposals (RFP) and she provided a timeline for the solicitation. She reported that the term of the contract was for 10 years plus two, five-year renewals at a \$13.3 million total annual cost. She noted that the previous contract had been for 30 years. Valencia reported that seven responses were received and four were evaluated. She added that of those, three were traditional landfills (BFI aka Republic Services, Waste Management, and Waste Connections) which were scored using the same criteria, and one alternative.

Valencia reported that the alternative, RePower South (RePower), proposed a new facility to be built, however, the location was not final. RePower proposed to develop a mixture of waste-to-energy, material recovery, and landfill. RePower's proposal requested the minimum garbage tonnage or an increase in the quoted price. RePower was scored on a consensus basis and the Evaluation Committee decided not to move forward with Re-Power South.

Valencia compared the pricing of the three proposed contracts and recommended approval of the three new contracts.

DISCUSSION:

Councilmember Rocha Garcia requested a definition of a traditional landfill business and how long they had been in San Antonio. Valencia stated that a traditional landfill was the old-style dump and all firms were national firms. Councilmember Rocha Garcia asked why the alternative was evaluated separately and asked how were they evaluated. Valencia stated that the panel reviewed the experience of RePower and did not feel comfortable taking the risk on an unproven method.

Councilmember Rocha Garcia asked why the department was recommending 10-year contracts instead of a shorter term and asked who regulated landfills. Valencia stated that longer term contracts benefitted the City more and the Texas Commission on Environmental Quality (TCEQ) regulated the landfills; there were no TCEQ issues with the three recommended firms. Councilmember Rocha Garcia recommended quarterly free landfill days for residents and requested a comparison of the cost of the landfill and disposal fees over time. She asked how much it cost to dispose items as people were committing illegal dumping of not only bulky items but regular household waste maybe because they did not pay their CPS Energy bills or for whatever reason.

Councilmember Castillo asked what RePower was planning to do; would they supplement or replace landfills. Valencia stated that they had proposed to extract potential recyclables and organics to create fuel to power electricity by burning them. Councilmember Castillo recommended a pilot program with this technology and to provide public education for where people could dispose of their waste.

Councilmember Alderete Gavito requested information on how the amount of waste was trending year after year. Valencia stated that the amounts were relatively stable noting that during the COVID-19 Pandemic they skyrocketed but after that, per capita they remained flat over time. Councilmember Alderete Gavito asked how the new contract would affect the budget. Valencia stated that the figures were consistent with the forecast and noted that landfill costs were 10% of the department budget.

Councilmember Alderete Gavito requested analysis of rates to ensure that the new contracts would not cost more for consumers. Councilmember Alderete Gavito requested clarification on “waste-to-energy” proposed by RePower. Valencia stated that “waste-to-energy” was a process where waste was burned or went through a chemical process to generate electricity.

Councilmember McKee-Rodriguez lamented that landfills tended to be in high equity areas particularly on the east side of town where he was having trouble getting grocery stores but warehouses and landfills were plentiful.

Councilmember Kaur commented that the two landfills in the San Antonio area were near residential neighborhoods. Valencia stated that reports on water and air quality were required to be submitted by the State and our contract required cleanup around the site for loose articles.

Councilmember Cabello Havrda asked if the contractors carried insurance. Valencia stated that the contracts included liability insurance. City Attorney Andy Segovia stated that environmental laws protected individuals who had received damaged and required them to clean up any problems. She asked if there were subcontracting opportunities within the contract. Valencia stated that it was almost impossible to permit a new facility, so subcontracting was generally not viable. Director of SWMD, David Newman, stated that there were no subcontracting opportunities but changes in ownership of companies did occur. Valencia stated that if we were unhappy with their services, we were not contractually obligated to use them. Councilmember Cabello Havrda requested the metrics and standards that the contractors were expected to achieve.

Councilmember Viagran thanked SWMD for their work and requested more information on RePower South and the landfills and suggested a B session to discuss options along with Office of Sustainability. She recommended more education to residents regarding what could be recycled and how they could save money by going to a smaller garbage cart.

Councilmember Courage supported the staff's recommendation and asked what the capacity would be from the landfill in Luling. Valencia stated that the Luling Landfill was new and had a 50-year lifespan, however, the transportation cost would need to be analyzed and suggested that residents might like to have the option of a dump to not be in their backyard. City Manager Walsh stated that staff would undertake an analysis to determine the viability of our own trucks and employees driving all the way to Luling. Councilmember Courage asked what happened to old landfills. City Manager Walsh stated that Pearsall Park in Council District 4 was a former landfill and there were others that might be considered for new uses. Councilmember Courage noted that in his council district, there was a housing development built over a landfill.

Councilmember Pelaez concurred that the south, east, and west sides of town often ended up with landfills in their areas which was a concern. He suggested that the City might need a proactive strategic plan for landfill disposal sites and how to make them greener. City Manager Walsh commented that technology was changing, and he planned to bring an Item to Council B Session in May 2024 when the Climate Action Plan was updated.

Mayor Nirenberg thanked former Mayor Nelson Wolff for setting a 30-year contract so we did not have to worry about this for a while, however, he suggested that the City explore new concepts that could be tested with small scale pilots that could benefit our community.

2. Staff presentation and recommendation on a property tax exemption on qualified Childcare Facilities. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance Department]

City Manager Erik Walsh introduced the Item and introduced Deputy Chief Financial Officer Troy Elliott who reported that a State Constitutional Amendment had been approved by voters in November 2023 that authorized a county or municipality to grant a property tax exemption of at least 50% to a qualifying childcare facility. Elliott presented information on the impact the new State Law could have on revenues if City Council chose to adopt the exemption. City Manager Walsh stated that the Bexar County Appraisal District (BCAD) had a May deadline for eligible childcare facilities to apply for the exemption. Elliott recommended a 100% property tax exemption for qualified childcare facilities which would be presented to City Council for approval on April

4, 2024.

DISCUSSION:

Mayor Nirenberg supported the staff proposal to help make childcare more affordable.

Councilmember Courage stated that he had asked staff two months ago about the exemption and had developed a Council Consideration Request (CCR) memorandum but that process would likely take too long considering BCAD's short timeline. Councilmember Courage noted that the childcare industry had high costs but low revenue and he hoped this new law would support working families. Councilmember Courage spoke regarding a letter from the community recommending that the City implement the exemption and he urged City Council to support the staff proposal. Councilmember Courage introduced Mark Larson, organizer of Early Matters Education non-profit who spoke in support of the Item. City Attorney Andy Segovia noted that the Item was for City Council discussion only.

Councilmember Rocha Garcia thanked the Chief Appraiser for extending the deadline for childcare providers to take advantage of the new exemption. She noted that childcare was an economic development issue. She thanked Katie Barrier from the San Antonio Greater Chamber of Commerce for her work on education and childcare policy. She noted that Workforce Solutions Alamo was a partner in childcare and she recommended involving the Department of Human Services since they worked to solve the childcare challenge and suggested development of a task force that focused on the issue in addition to the tax credit.

Councilmember McKee-Rodriguez noted the lack of childcare facilities in certain areas and supported this to help reduce costs and make childcare more viable as a business, particularly in high equity areas. He asked if there was a count of non-commercial childcare facilities in San Antonio. Director of the Human Services Department (DHS), Melody Woosley, stated that there were 12,000 plus children receiving subsidies in San Antonio and she would research the number of facilities. Director of Pre-K 4 SA, Dr. Sarah Baray, stated that UTSA's study would help answer that question.

Councilmember Castillo noted that the United Way of San Antonio had identified that, in Council District 5, only 17 of 39 childcare facilities were Texas Rising Star (TRS) Certified which was a requirement for the exemption. Baray stated that the study would also identify those facilities that were not certified and were developing a plan to assist them with getting certified. Councilmember Castillo requested a heat map of TRS and non TRS facilities in San Antonio. Woosley stated that DHS had a grant to help get them get certified through mentoring and would collect the data.

Councilmember Alderete Gavito commented that many childcare centers had closed due to the pandemic and pregnant women had to get on wait lists. She wanted tax breaks to benefit the operator and families that were users of the facility, not landlords. Elliott stated that the State Law required landlords to pass the exemption down to the operator of the facility but not families. Segovia clarified that a tax abatement had to go to the taxpayer and the City could not designate that the money go elsewhere. Baray stated that the idea was to make the exemption easy to access to incentivize living wages for the workers and keep them operational to benefit the community.

Mayor Nirenberg commented that the subsidy was intended to keep childcare facilities open. Councilmember Alderete Gavito agreed but also wanted benefits passed on to working families.

Councilmember Cabello Havrda expressed disappointment that working families would not benefit directly from the exemption and asked if San Antonio was lacking childcare overall. Baray stated that while there were childcare deserts in our community, the biggest need was for higher quality childcare and participation in the TRS Program was a way to improve quality. Councilmember Cabello Havrda asked if there was a measure of quality. Baray stated that the TRS Program promoted quality care and had established criteria.

Councilmember Cabello Havrda recommended following the outcomes of the TRS Program and the exemption closely and noted that home childcare centers were not eligible. Deputy City Attorney Ray Rodriguez clarified that home-based childcare centers could not get both the homestead exemption and the childcare exemption, but they were not precluded from getting the childcare exemption simply because they were home-based. Councilmember Cabello Havrda asked if Pre-K 4 SA could qualify for the exemption. Baray stated that only those participating in the TRS Program, which was a part of the childcare subsidy, were allowed to receive the exemption and since Pre-K 4 SA was free, they did not receive the subsidies.

Councilmember Kaur stated that there was a direct correlation between early childhood education and high school graduation rates. She commented on the challenges to this work because there were no statewide standards for early childhood education and noted there was a quality dashboard being developed for childcare. Kaur mentioned that if you overlaid the poverty map with the childcare desert map, you would see a direct correlation. She supported the operators using the money to help pay better wages and keep the lights on even if it didn't get directly passed onto families, they benefited from higher quality education. Councilmember Kaur offered to help with outreach and education for businesses.

Councilmember Courage commented that this was a first step in improving access to quality childcare and advocated for expansion of the program. He also recommended looking at the Ready to Work Program as childcare was a barrier to the Program so maybe some of the funding could be used to help provide childcare for those parents in the program. Councilmember Courage thanked Bexar County for taking action to approve the exemption.

Councilmember Viagran supported more assistance for early childhood education targeting young girls to promote advancement of young women of color. She noted that there was a childcare desert in the southern sector of town and hoped that the tax exemption would make more providers get into the business and suggested that the City could also help them get loans to buy properties. She asked if Bexar County had passed an exemption. Elliott stated that they passed it last week. Councilmember Viagran supported the exemption and thanked staff for bringing it forward quickly.

Councilmember Whyte thanked staff for moving quickly and thanked Councilmember Courage for requesting this to be moved forward. He supported the exemption as an economic and workforce development tool.

Mayor Nirenberg noted that this was one step in many that were needed to help working families.

He recommended that the City look at industry best practices. Mayor Nirenberg asked when we would have the results of the childcare capacity and needs study. Baray stated that the study would be completed this summer and drafts could be brought in August 2024. Mayor Nirenberg recognized that childcare among other major barriers such as housing and transportation hindered economic mobility in our community.

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:11 p.m.

Approved

Ron Nirenberg
Mayor

Debbie Racca-Sittre
City Clerk