

**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, December 11, 2024

2:00 PM

Council Briefing Room

The City Council convened a B Session meeting in the Council Briefing Room beginning at 2:07 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

ITEMS

1. Briefing on the FY 2025 Annual High-Profile Forecast and Proposed Changes to Procurement Processes [Ben Gorzell Jr., Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

City Manager Erik Walsh introduced the Item and Deputy Chief Financial Officer Troy Elliott who presented the High Profile Forecast Report, some procurement process changes, and

recommendations for updates to State Law that would streamline procurement and provide efficiencies.

Elliott stated that the current definition of High-Profile Contracts included discretionary contracts valued over \$1 million, contracts with a high level of community interest or other exceptional interest, contracts that were highly complex or technical in nature, or contract terms and conditions that were non-standard or complex. He added that Low-bid Contracts were not considered High Profile because they were not discretionary.

Elliott stated that the current Select High-Profile Criteria required a B-Session presentation and included: Financial Impact (value over \$25 million), Contract Term (10 years or more), policy/public safety implications, community/ stakeholder impact or interest, or staff professional judgement.

Elliott reported that the four paths a High Profile Contract could take included: five "Select" or chosen for City Council B- Session of contracts including those that ranged over \$25 million met the "Select" HP criteria; five Special Aviation High-Profile B Session briefings designed for an aggressive timeline to deliver the Terminal Development Program (TDP); Audit Committee would hear 24 briefings for contracts that ranged from \$5 million to \$25 million; and 43 contracts would be directly placed on the City Council Consent Agenda and ranged from \$1 million up to \$5 million.

Elliot recommended that City Council delegate approval of routine procurements to the City Manager for spending approved in the Adopted Budget. He maintained that his proposed changes would maintain transparency and accountability, consider the size of the City organization and the volume of procurements. Additionally, Elliott recommended a shorter procurement process for routine items which would reduce procurement wait time for vendors/contractors, a quicker execution of City work, provide for City Council focus on procurements with policy implications and approval over the vast majority of spending, and streamline procurement process to include City Council Agendas.

Elliott recommended eliminating Audit Committee and B-Session Briefings regardless of amount for On-Call Contracts that were contracts in which one or more contractors provided services on an as-needed basis and Annual Contracts including the purchase of materials, supplies, or non-professional services which were continuously needed for an agreed upon price and term because these were typically routine in nature and did not contain policy considerations. He noted that these contracts would continue to be included in the Annual Forecast and the policy would not apply to Job Order Contracting as they were of high City Council interest. Elliott reported that there were eight On-Call Contracts included in the FY 2025 forecast and the new policy would eliminate 16 Presentations (14 Audit Committee Presentations and two B-Session Presentations).

Elliott proposed to increase the High-Profile Designation from \$1 million to \$5 million. He noted that the Municipal Campaign Finance Code, Sec. 2-309 referenced "a high-profile discretionary contract as designated by the City" and does not otherwise define "high-profile." He indicated that the City Code prohibited campaign or officeholder contributions beginning on the 10th business

day after a high-profile solicitation was released through the 30th calendar day following the approval of the contract by City Council. The modified threshold would no longer disqualify vendors for campaign contributions made on solicitations valued less than \$5 million which would align policy with current Audit Committee practice, according to Elliott.

Elliott proposed that City Council delegate the contracting authority to the City Manager for those fleet acquisitions, additions, and replacements approved in the Adopted Budget by the City Council. He noted that to maintain transparency, the annual forecast would be expanded to include Fleet Solicitations and the Finance Department would report to City Council on contracts awarded quarterly. Elliott cited continued challenges with the supply chain and noted that this would reduce the number of Consent Items on the City Council Agenda. He anticipated 32 Solicitations for approximately 620 vehicles valued at \$67 Million for FY 2025.

Elliott also recommended delegating contracting authority to the City Manager for contracts less than \$2.5 million that had funding approved by City Council in the Adopted Budget noting that the City Manager or Designee could currently execute contracts less \$50,000. To maintain transparency, the annual forecast and quarterly reporting would be expanded to all items in excess of \$50,000 and would include all categories to include goods and supplies, professional and other services as well as construction services less than \$2.5 million, according to Elliott, and would reduce the number of Consent Items on the City Council Agenda. Elliott provided a breakdown of contracts and awards that would be impacted in FY 2025 if the proposed delegation of authority were approved.

Elliott proposed that the City Council add changes to procurement statutes to its State Legislative Agenda including updating Local Government Code, Chapter 252, Section 252.021 to increase the informal solicitation bidding threshold of between \$3,000 and \$50,000 to up to \$100,000; Section 252.048 to increase Change Order thresholds for Construction contracts from \$100,000 to \$500,000 and for Goods/Supplies from \$50,000 to \$100,000; Section 252.041 to allow the online posting of solicitation advertisements as an option to a required newspaper publication for competitive bidding; and Section 252.041 to allow online posting of bid results as an alternative to reading bids aloud at a formal bid opening meeting.

Elliott summarized that the proposed delegation of routine procurements to the City Manager would result in a shorter procurement process for routine items and would allow the City Council to focus on procurements with policy implications while keeping City Council approval over the majority of spending. According to Elliott, the proposed changes would streamline the procurement process, maintain transparency and accountability through forecasting and reporting, continue appropriations through the Adopted Budget, and adopt modified processes in advance of the SAP upgrade.

Next steps, according to Elliott, would include incorporation of City Council feedback, redesigning of business processes, and identifying an implementation date after City Council approved an Ordinance authorizing the changes.

DISCUSSION:

Councilmember Viagran, Chair of the Audit Committee, spoke in support of the changes to help streamline the process but noted that she might want to look at some of the contracts individually that were on the forecast.

Councilmember Alderete Gavito supported the recommendations overall to improve efficiency but wanted to ensure transparency and accountability. Elliott explained that the City Council could look at the forecast and highlight contracts of interest. City Manager Walsh noted that inclusion of quarterly spending reports were new and increased transparency. Councilmember Alderete Gavito requested comparisons of the high-profile definition from other cities and recommended getting new vehicles for public safety more quickly.

Councilmember Whyte supported improving efficiency in the process and thanked Councilmember Viagran for leading the Audit Committee's review of this issue. He supported getting the contracts through the process and work started more quickly while ensuring transparency as the City Council could pull any Item they wanted for briefing.

Councilmember Rocha Garcia requested clarification on the quarterly reports. Elliott confirmed these would be sent out as they were currently with additional information. She did not support increasing the threshold of Audit Committee contract briefings from \$1 million to \$5 million. She asked if the Ethics Review Board had recommended the changes. Segovia explained that these were not changes to the Ethics Code but to the definition assigned by Finance. Councilmember Rocha Garcia recommended continuing the current level of review for Aviation contracts and did not support changes to the levels for Change Orders.

Councilmember McKee-Rodriguez clarified that the increase to \$2.5 million to the City Manager only included contracts approved within the City Budget. Deputy City Manager Maria Villagomez stated that grants that were not appropriated within the Budget would not be included. Councilmember McKee-Rodriguez felt it was the responsibility of the City Council to approve spending and felt the thresholds were increasing too much but \$50,000 to \$2.5 million was too large of a jump in delegation. He clarified that if an Item went to B Session, it would not go to the Audit Committee. Councilmember McKee-Rodriguez requested a briefing on the new Animal Care Facility at a B Session.

Councilmember Courage expressed concern with the large jump in approval delegation to the City Manager and recommended approval delegation under \$1 million rather than up to \$2.5 million. He noted that City Council was elected to make hard and easy decisions and he did not think the agendas were too long. Councilmember Courage asked why campaign contributions were included in the presentation as it did not create efficiency. Elliott explained that the proposal was to align the definition of High Profile with the practice of taking only contracts over \$5 million to the Audit Committee. Councilmember Courage suggested that \$2.5 million would be a better increase from the High-Profile threshold of \$1 million rather than the \$5 million.

Councilmember Kaur supported efficiency, but her concern was regarding the evaluation of contractors for performance. Elliott stated that State Law allowed the City to determine if a bidder was responsible and was considered within both low-bid solicitations where there was an ability to disqualify them, and a discretionary contract where they were scored and awarded best value.

Councilmember Kaur recommended creation of a database of performance records of contractors of all types, not only construction firms.

Councilmember Castillo appreciated the efficiency but felt her constituents expected more oversight by the City Council and suggested the \$2.5 million delegation of authority was a huge leap from \$50,000. She asked if posting online was expected instead of publishing in a newspaper and did not support it because there was a digital divide.

Councilmember Pelaez noted that in the past the City posted its Agendas on a bulletin board outside and so publishing in a newsletter was also outdated so he supported posting online. Councilmember Pelaez supported the increase in the delegation of authority suggesting that this would streamline the process. He suggested that these were usually not controversial since they were already approved in the Budget. He recommended that the City Manager poll each Councilmember on their idea of a good level for delegation.

City Manager Erik Walsh stated that he appreciated the feedback and would return with an update.

2. Post-solicitation briefing for Towing and Impound Operation Services for police directed tows, vehicle storage with evidence processing and auction services for the San Antonio Police Department. [María Villagómez, Deputy City Manager, City Manager's Office; Chief William McManus, Director, San Antonio Police Department]

City Manager Erik Walsh introduced the Item and Assistant Director of the San Antonio Police Department (SAPD) Richard Riley who briefed the City Council on the Towing and Impound Services Contract and the property at Growden Road. Riley stated that the current towing contract with United Road Vehicle Management Solutions (URVMS) subcontracted with one local dispatch and five local tow companies that provided police-directed tow management services. The URVMS contract began in December 2015 and ran to September 2024 and was extended through December 2024 with a month-to-month option.

Riley stated that the Alanis Wrecker Service ran the impound lot and utilized AutoReturn software to track the intake, storage and release of impounded vehicles. He noted that they managed the Growdon property including maintenance, environmental compliance, and security as well as a weekly auction of abandoned vehicles. Riley indicated that the Alanis Wrecker Service contract ran from 2017 through September 2024 which was extended through December 2024 with a month-to-month option. Riley provided history on the number of tows, towing response times, and the number of vehicles impounded and auctioned.

Riley reported that Joint Base San Antonio (JBSA) was interested in acquiring the impound facility located on City-owned property at 3625 Growdon Road because the facility was located within a safety area necessary to support Munitions Storage Area expansion. The City was working with JBSA on details of the potential transfer of land, according to Riley. Towing goals were to protect the safety of the public, maintain clear roads, remove abandoned vehicles from streets, and the ability to measure performance, according to Riley and impound goals were to protect the safety of the public, assist residents with retrieval of vehicles, investigative evidentiary storage, and provide a secure and environmentally safe facility.

On December 6, 2023, the City issued a Request for Proposal (RFP) seeking a contractor to provide management of municipal towing and impound operation services including dispatch, police-initiated towing and recovery, towing management services and incident management of heavy-duty accidents, impound, vehicle storage, release and auction services, and possible relocation of the City's Vehicle Storage Facility. He noted that the deadline for response was March 22, 2024, and the evaluation panel met in May 2024 and interviewed firms in June 2024. Riley listed members of the panel and evaluation criteria noting that preference points were provided for the Small Business Economic Development Advocacy (SBEDA) Program, Local Preference Program (LPP), and Veteran Owned Business Program (VOBP) but no firms received these points, however, all firms were required to meet a Small Business Enterprise subcontracting goal of 40% and one of the respondents was deemed non-responsive for not meeting the goal nor making a good faith effort.

Riley stated that respondents were asked to provide in the proposals: innovative automation of the entire lifecycle of a tow, from the dispatch request to storage and retrieval, the ability for residents to locate their impound vehicles during the lifecycle of a tow from a computer or their cell phone, innovative optimization of tow dispatching, electronic tow service records and auction data collection systems, and a separate system for data collection of private property impounds (PPI) for the City.

Riley outlined the solicitation requirements, evaluation criteria, list of panelists, and scoring for the two bidders that met the subcontracting goal. He recommended the highest ranked firm United Road Towing (URT) Incorporated for the contract noting that there would be no changes to current fees paid by the public for towing and impound, but the contract allowed for future increases with approval by the City.

DISCUSSION:

Councilmember Rocha Garcia commented that she began working on this in 2019 noting that residents that used this service were often experiencing difficult situations such as recovering a stolen vehicle or having been in an accident. She asked staff to study a potential relocation of the Growden Road facility located in Council District 4 because the sites were not convenient and Growden Road was adjacent to the Leon Creek watershed and there were concerns about pollutants seeping into the water. She asked how long it would take to move the site. Riley stated that environmental concerns were taken into consideration for the selection of the new site, but it would take a couple of years to move the site. Councilmember Rocha Garcia thanked the Director of Military Affairs General Juan Ayala for coordinating with JBSA.

Councilmember Cabello Havrda noted that the firms did not get any SBEDA, LPP or VOBP points. Riley stated that both subcontracted 87.5% to SBEs even though they did not get those points as prime.

Councilmember Pelaez requested an explanation on how subcontractors were paid. Riley stated that the City paid the fees to the Tow Manager and the Tow Manager paid the dispatch company and their subcontractors and collected the fees from the vehicle owner and reimbursed the fees, however, auction of vehicles revenue made up the delta as the fees did not cover the actual

costs.

Councilmember Pelaez asked if there was an additional charge for towing during bad weather events and for Electric Vehicles (EV). He asked whether subcontractors could file grievances against the towing operator with the City. Riley stated that the complaints needed to be resolved by the towing operator but if his staff heard about any grievances, they had a conversation with the towing operator.

Councilmember Whyte asked why the auction revenues went down in FY 2024. Riley stated that vehicles were bringing in less money at auction and vehicles were being held longer to determine if they were owned by service members.

Councilmember Courage asked about the third bidder that did not meet the subcontractor goal and was disqualified. Michael Sindon, Economic Development Administrator, indicated that a SBEDA subcontracting goal was a pass/fail requirement and the other criteria were scored. Councilmember Courage recommended integrating the 9-1-1 dispatcher with the towing dispatch so people would not come out and find their vehicle missing. Riley explained that the towing dispatch was for vehicles on the road, not those in front of people's homes or at a business so there was no need to integrate as this might be from a private property tower or a tower contracting for repossessing the vehicle. Councilmember Courage asked about the different vehicle classifications. Riley stated that a light vehicle was a normal car weighing less than 10,000 pounds which came with a \$210 towing fee, heavy duty was a 18-Wheeler which had a \$410 towing fee and medium was a moving van size vehicle which had a \$350 towing fee and the average fee was about \$375 to include impound days.

Councilmember Alderete Gavito requested that staff share the locations for the new impound lots. Deputy City Manager Maria Villagomez stated that when the locations were identified they would be shared with the City Council. Riley noted that there would be a community engagement process. City Manager Walsh noted that some of the locations identified by the contractor were not acceptable to staff, so more negotiation was needed.

Councilmember Kaur recommended a written policy and procedure to ensure that cars owned by a service member were not auctioned. Riley indicated that SAPD recently implemented a new policy where the towing company would check with Department of Defense which resulted in fewer auction sales.

Councilmember Viagran recommended a more proactive approach noting this was the first step in looking at traffic issues related to towing that included improved technology.

3. Briefing on staff recommendations regarding a proposed scope of review for a City Council Ad Hoc Committee as was discussed by the City Council on November 20, 2024. [Erik Walsh, City Manager; Debbie Racca-Sittre, City Clerk]

City Manager Erik Walsh noted that the third Item was a follow-up to the three-signature memo on six boards and commissions and the Council Consideration Request (CCR) 2024-0023 Appointment Process Improvements submitted by Councilmember Castillo. City Manager

Walsh stated that his office had worked with the City Clerk and City Attorney to develop next steps and noted that the City Code provided the Mayor with the authority to establish a City Council Ad Hoc Committee of three Councilmembers.

City Manager Walsh outlined the proposed charges for the City Council Ad Hoc Committee on Boards and Commissions which could address: how boards were established, preferred experience or qualifications of candidates, membership composition diversity, reporting and accountability, representation, and review of applicants prior to appointment. He added that the Committee would begin review of the first six Boards and then move on to the rest.

DISCUSSION:

Councilmember Rocha Garcia thanked Councilmember Castillo for her CCR and was pleased that this would be a participatory and transparent process. Councilmember Rocha Garcia recommended prohibiting high-level board of trustees from donating to City Council campaigns. Segovia suggested this might be something to be reviewed by the ERB.

Councilmember McKee-Rodriguez supported the approach but did not want to stop at just the six boards since there needed to be diverse representation on all boards and he asked to serve on the Committee.

Councilmember Whyte recommended a review of all boards since some rarely met so we needed to see if they were really necessary; this could be a process of efficiency.

Councilmember Alderete Gavito thanked Councilmember Castillo for her CCR and supported district representation and proposed that Councilmember Castillo serve on the Committee and she did not recommend putting candidates for Mayor on the Committee.

Councilmember Courage asked what the Mayor's authority was to appoint to Boards or Commissions and recommended a review of the City Charter and the City Code. Segovia explained that a couple were governed by State Law. Councilmember Courage wanted to know how each board was established, when, and what was the purpose of the board. He also supported a review of the existing relevant experience since professional staff advised and supported each board.

Councilmember Courage supported diversity and reporting accountability not only to City Council but accountability to their community such as SAWS and CPS Energy Board Members attending to community meetings to collect feedback from the community. He supported the proposed timeline and process.

Councilmember Castillo supported the proposed next steps and agreed with a prohibition on fundraising for City Councilmembers by members of SAWS and CPS Energy Boards. She requested a timeline on the process and when it would come back to City Council. City Manager Walsh stated that it would be up to the Ad Hoc Committee to set the timeline. Councilmember Castillo expressed interest in serving on the committee.

Councilmember Viagran was interested in serving on the committee and asked about the staff's proposal for one senior member and two other Councilmembers to be appointed to the Ad Hoc Committee. She recommended bringing the recommendations back in March 2025. City Manager Walsh stated that this was in the City Code. Mayor Nirenberg indicated that he would take their recommendations for the Committee under consideration.

Councilmember Kaur requested the list of all 90 boards and a list of all board members as well as when the boards met. The City Clerk explained that the 90 boards included TIRZ and other government boards as well as At-Large and Single Council Member appointees. Councilmember Kaur supported those Councilmembers who volunteered to serve on the Ad Hoc Committee.

Councilmember Pelaez did not think any changes were needed but supported Councilmember Castillo to serve on the Ad Hoc Committee because she authored the CCR. Councilmember Pelaez noted all of the Board Members were volunteers who were taking time away from their families to serve their community.

EXECUTIVE SESSION

Executive Session was not held.

ADJOURNMENT

There being no further discussion, the meeting was adjourned at 4:01 p.m.

Approved

**Ron Nirenberg
Mayor**

**Debbie Racca-Sittre
City Clerk**