

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



**Meeting Minutes
City Council B Session**

City Hall Complex
San Antonio, Texas 78205

2021 – 2023 Council Members

Mayor Ron Nirenberg

Mario Bravo, 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
Ana Sandoval, Dist. 7 | Manny Pelaez, Dist. 8
John Courage, Dist. 9 | Clayton Perry, Dist. 10

Wednesday, August 17, 2022

2:00 PM

Municipal Plaza Building

The City Council convened a regular meeting in the Norma S. Rodriguez Council Chamber in the Municipal Plaza Building beginning at 2:11 PM. City Clerk Debbie Racca-Sittre took the Roll Call noting a quorum with the following Council Members present:

PRESENT: 11 – Nirenberg, Bravo, McKee-Rodriguez, Viagran, Rocha Garcia, Castillo, Cabello Havrda, Sandoval, Pelaez, Courage, Perry

ABSENT: None

ITEMS

1. Staff presentation on the FY 2023 Proposed Budget focusing on, but not limited to, the following City Departments or Initiatives: [Erik Walsh, City Manager, Justina Tate, Director, Management &

Budget]

A. Public Works

B. Parks & Recreation

C. Capital Budget and Debt Management Plan

Mayor Nirenberg noted that all three topics would be taken up as one presentation. City Manager Erik Walsh introduced the Item and all three speakers and noted that there had been three main changes: more focus on Budget, less on department overviews and shorter presentations to allow for more time for council discussion.

Director of Public Works Department Razi Hosseini provided the mission of the department and the FY2023 proposed department Budget which was increasing by \$26 million due to pay increases and program improvements. Hosseini provided a list of categories included in the \$154.4 million Infrastructure Maintenance Program (IMP) which included funding from the General Fund, Bond and American Rescue Plan Act (ARPA). Hosseini stated that the Neighborhood Access & Mobility Program increased this year to \$450,000 per City Council District which would create 160 projects throughout the City which created a need for six new positions that were proposed in the Budget to support the IMP. He noted that guard rail repairs and funding for maintenance of 17 non-service alleys was added for FY2023.

Hosseini reported that \$10 million was expected to be provided to VIA Metropolitan Transit (VIA) in FY2023 and proposed adding three electronic signal technicians to address traffic signal and crosswalk maintenance. He added that 4.93 million was allocated for corrugated pipe maintenance related to drainage projects. Hosseini stated that the FY2023 spending plan included \$641 million for capital projects which included all funding types in addition to the General Obligation Bond. Hosseini stated that two bond projects were ready for construction, 14 were under design, 19 would be designed by on-call consultants, 11 had funding agreements with partners, and 127 projects would utilize the mass selection process to select all architects and engineers to design the projects. A timeline for construction and spending was provided for the Bond. Hosseini proposed 18 new positions to assist with project delivery in Public Works and 38 new positions in nine departments to ensure project milestones were met.

Director of Parks & Recreation Department Homer Garcia, III presented an overview of department's Budget history, highlighted Budget improvements as well as the types of funds included: General Fund, Grants, Restricted Funds, and Capital Funds. Garcia noted that the department's Capital Project funding had decreased due to the spending down of the sales tax that was not renewed.

Garcia listed \$1.9 million in improvements with \$400,000 to enhance summer youth programming and \$1.5 million for new positions at several new facilities: Woodlawn Lake Park Multi-Generational Center (two positions), Heritage Park Multi-Generational Center (two positions), Linear Creekway and park maintenance (eight positions). He reported that \$9.4 million was

included for park renovations and improvements as well as \$470,000 in improvements supporting three positions to enhance citywide tree planting programs through the Tree Canopy Preservation and Mitigation Fund.

Garcia stated that the remaining Edward's Aquifer Protection Program sales tax funding would be spent in FY2023 and would move to debt support starting in FY2025. He announced that the department would celebrate the completion of 100 trail miles on the Howard Peak Greenway Trails System and provided information on the funding for the trails including Bond funding and funds from non-city sources.

Deputy Chief Financial Officer Troy Elliott presented the Debt Management Plan beginning with the types of debt issued: voter approved General Obligation Bonds, Certificates of Obligation, Tax Notes, and Revenue Debt. Elliott stated that the City's total debt was \$3.4 billion with a majority (\$2.4 billion) being property tax supported debt with an average interest rate of 2.2% and average life of 9\9 years with Airport and other revenue bonds also being a part of that total. Elliott described the Bond Rating System and provided a chart listing the different rating for each type of debt noting the City's highest rating was a AAA and the lowest a BBB+. He noted that State law and the City Charter provided legal limits for ad valorem debt and compared San Antonio to other major cities in Texas.

Elliot outlined that the fundamental components of the debt management plan were short average life of debt, moderately conservative projections, and maintenance of debt service. He reported that there was \$535.6 million outstanding debt in the Hotel Occupancy Tax Funding through the Public Facility Corporation (PFC) on the Convention Center Expansion which was planned to be refinanced on August 30, 2022. He added that the Airport outstanding debt was \$351.4 million.

Councilmember Sandoval asked how much money was set aside in the Parks Department for its Equity Program. Garcia stated that the Equity Program did not have a separate Budget but was included in the base Budget of the Office of the Director within Parks. City Manager Walsh stated that there was an operational shift within the department Budget to drive decisions and day-to-day management. Councilmember Sandoval suggested that the Tree Canopy Preservation & Mitigation Fund could be a tool to help improve urban heat islands using the fund balance. Garcia stated that the Fund was highly restricted to installation of trees and a 3-year establishment period. Director of the Office of Management and Budget Justina Tate stated that the fund balance currently included \$5 million which would be spent on various projects so there would be \$1.2 million remaining.

Councilmember Sandoval requested an explanation on how Street Maintenance Program (SMP) funding would be prioritized and allocated. Hosseini stated that \$10 million was based on condition \$6 million from GO Bond 50% size and 50% condition and \$10 million in ARPA funds was for Failing "F" streets. Councilmember Sandoval asked for a detailed spreadsheet on SMP funds.

Councilmember Sandoval inquired as to how the redistricting would impact the IMP. City Manager

Walsh stated that the money would stay with the approved project regardless of the council district.

Councilmember Rocha Garcia asked why only \$6 million of 2022 Bond funding out of the total \$116 million was being spent in FY2023. Hosseini explained that more money would be spent in the future, but the projects needed to be designed first and the largest costs would be seen later during construction but the \$6 million included some “F” streets. Councilmember Rocha Garcia noted that the sidewalk funds came from the General Fund and CPS Revenues this year. She supported the increase in Neighborhood Access and Ability Program (NAMP) noting that most projects in Council District 4 were sidewalks. She asked how many guard rail locations could be completed with \$1 million. Hosseini stated that 54 guard rail locations were estimated. Councilmember Rocha Garcia supported the improvements to non-service alleys.

Councilmember Rocha Garcia asked for clarification of funding for VIA. City Manager Walsh stated the City repurposed the existing \$10 million in the Budget to help strengthen VIA’s grant application for the Advanced Rapid Transit (ART) Corridor and the City would manage the contracts to upgrade city infrastructure in these areas.

Councilmember Rocha Garcia asked the Parks Director about total investment in Sumer youth programs and the number of trees planted annually. Director Garcia noted that \$1 million was spent annually on youth programming and 1,000 trees per year were planted adding that the Parks Department was canvassing homes within a census track with a combined equity score of 10 and had dedicated \$800,000 for those trees. The plan was to continue by planting trees in those census tracts scoring nine in FY 2024 and eight in FY 2025. Councilmember Rocha Garcia requested a map of the missing 25 trail miles on the Linear Creekways.

Councilmember McKee-Rodriguez stated that he was excited that Council District 2 was receiving record funding over the next five years than in the last 10 years and noted the levels of investment by City Council District. Councilmember McKee-Rodriguez supported the increase in NAMP, sidewalks, funding for SMP using the new formula of focusing on condition, “F” street reconstruction, parks, drainage improvements and requested a breakdown of funding for sidewalk repair versus sidewalk gaps. Hosseini stated that \$500,000 was set aside for sidewalk repair and \$21 million was allocated for gaps. Councilmember McKee-Rodriguez requested a schedule for the Bond Program.

Councilmember McKee-Rodriguez noted that KaBoom built a playground in Pittman-Sullivan Park and recommended incorporating more shade in Pittman-Sullivan Park and other parks whether shade structures or trees. Garcia responded that shade was important to all park amenities, not just those with a development plan. Councilmember McKee-Rodriguez cited a study by the Trust for Public Lands which stated that there was less access to park space for people of color in San Antonio than in other major U.S. cities. Garcia described the rating scale and stated that the hike and bike trail system had improved the rating and the department was

strategically planning investments to connect people to green spaces including adding school parks to the system. Councilmember McKee-Rodriguez recommended inviting external groups to participate in the tree plantings.

Councilmember Cabello Havrda asked if a council district that lost a project due to redistricting could get another project. City Manager Walsh explained that because the street needing repair still needed repair, it did not matter which council district it was in because its condition rating would also impact the new district. Councilmember Cabello Havrda supported the tree planting program and guard rail repairs but suggested street conditions should be assessed and rated more often than every three years.

Councilmember Cabello Havrda stated that some neighborhoods did not want sidewalks because they had monument mailboxes and suggested more communication with residents about what they wanted. Councilmember Cabello Havrda noted that there were utility poles in the middle of the sidewalk on many older streets. Hosseini replied that many older sidewalks did not meet the current Americans with Disabilities Act (ADA) requirements but anytime Public Works built a new sidewalk, they ensured it met the 36" ADA sidewalk requirement but most of our sidewalks were 4 foot wide and that sidewalks were based on a scoring matrix. City Manager Walsh added that when a street was reconstructed, the sidewalk was also reconstructed and made ADA accessible.

Councilmember Cabello Havrda stated that Council District 6 residents were looking forward to a regional investment in the Ron Darner Facility and the Greenway Trails but understood that there was still a need to fund 25 trail miles. She expressed concern that the school facilities included in the parks system could be a challenge due to safety and security concerns of the school districts.

Councilmember Castillo supported the Menchaca Drainage Project, maintenance and repair of the non-service alleys and noted that Council District 5 had a great need for drainage. She suggested that funding be utilized to abate trash in the alleyways or a partnership with Solid Waste Management Department (SWMD). Hosseini stated that in addition to the 17 alleys that were being improved, 60 other alleys were targeted for debris removal by the SWMD and added that a consultant was hired to perform inventory, assess and prepare a comprehensive plan for funding for the future needs of non-service alleys beyond the initial 17. City Manager Walsh stated that alleys that had code issues or crime could be prioritized.

Councilmember Castillo recommended additional funding for VIA to greater support public transportation and requested that the Parks Director provide a list of capital projects that were planned for the Tree Fund and the cost per tree planting. Garcia listed several projects and noted there would be 500 trees planted and trees cost \$600-\$650 per tree to include design, installation and 3 year grow-in period. Councilmember Castillo recommended partnerships for the Tree Program to expand tree planting.

Councilmember Bravo stated that he hoped that using the Tree Mitigation Fund would actually add to the tree canopy or slow loss of the tree canopy but felt that using the fund to supplement capital projects was simply a method of saving the City money. He estimated that the City was losing 10,000 acres/year and replacing it with 31 acres over five years. Councilmember Bravo recommended hiring staff and purchasing equipment to plant trees in-house rather than contracting it out.

Councilmember Bravo asked for an update on the Request for Proposals (RFP) for solar that would also provide more shade. Chief Sustainability Officer Doug Melnick stated that the RFP process was underway. Councilmember Bravo recommended funding to address gaps in street lighting. City Manager Walsh stated the Development Services Department (DSD) presentation would include street lighting. Councilmember Bravo supported funding for VIA's East-West Corridor

and recommended an extension of swimming pool season and hours to combat the summer heat.

Councilmember Viagran noted that Council District 3 had a great need for infrastructure and recommended more funds for sidewalk gaps and repairs. Councilmember Viagran asked what the six new positions in Public Works would do and wanted to ensure the NAMP projects were delivered in a timely manner. Hosseini stated that the staff would work with the Council Districts to coordinate, manage and oversee all aspects of the project. Councilmember Viagran suggested taking a look at the use of non-service alleys. Hosseini recommended elimination of some non-service alleys by giving the property to the adjacent property owners if no one used them. Councilmember Viagran asked for VIA to identify bus stops that did not have shade or a seating area. VIA President and CEO Jeff Arndt stated that 25% of stops had shelters and he could provide a map of the sheltered stops.

Councilmember Viagran requested a list of traffic signals being included in the \$1 million grant for Intelligent Transportation System. She noted that drainage from Olmos Dam flowed into the Mission Reach Area and recommended that the San Antonio River Authority ensure proper maintenance. Councilmember Viagran asked about the terminal development financing plan for the Airport. Elliott responded that the Finance Department was working on the plan and it would be brought forward at a later date.

Councilmember Courage asked whether a paper street could be considered an "F" Street. Hosseini stated that in order to be counted as a City street, it would have had to be built already but he would look into the specific request. Councilmember Courage suggested adding another sidewalk team for repair since there was only one team. Hosseini stated that staff were being added to manage the program but not to actually build the sidewalks. Councilmember Courage stated the intent of NAMP was to be nimble enough to get immediate needs met, however, the process was quite long. Hosseini replied that the department processed the requests quickly but stated that he would look at individual projects if there was a specific concern.

Councilmember Courage requested a list of street or sidewalk projects impacted by redistricting to be distributed to the City Council. Councilmember Courage suggested that private streets should be given consideration for resurfacing as the public used the streets. City Manager Walsh asked Councilmember Courage to share the locations of the private streets for staff review.

Councilmember Courage noted that tree mitigation fee estimates were \$2 million below the past few years and he thought that the revenue projections were too low as more trees could possibly be planted. Garcia stated that a conservative approach was taken but the plan was scalable if more revenues were received. Tate noted that, in FY2022, \$2 million in revenues came from only two projects and were the highest mitigation payment that the City had seen in the past five years.

Councilmember Perry asked about the number of positions added in the 2017 Bond versus the 2022 Bond. Hosseini explained that although Public Works added 12 positions in 2017 and noted that the 2022 Bond was 40% larger. Councilmember Perry stated that he thought the pavement marking cycle was three years. Hosseini stated that the pavement marking cycle was three years for commercial and major arterial roadways but five years for other streets and it was in addition to SMP or capital street projects.

Councilmember Perry noted that in FY 2020, \$50 million was cut from the SMP but those funds were never replaced. City Manager Walsh explained that the projects were deferred to the next fiscal year due to the pandemic and the City Council discussed utilizing ARPA funding to replace those funds but only allocated \$10 million and the projects would be made up in future Budgets. Councilmember Perry recommended making up those projects by adding more funding to streets.

Councilmember Perry did not support using the CPS Revenues to add sidewalks but supported the additional funding for NAMP in the General Fund. Councilmember Perry suggested that new positions were not needed for the IMP. City Manager Walsh responded that it had been a significant amount of time since the City added staffing to the IMP which would spread the work over six teams instead of five. Councilmember Perry stated that guardrails were already being repaired and asked about the need for a new program. Hosseini commented that guardrails were only addressed if a complaint was received and the new program would be more proactive.

Councilmember McKee-Rodriguez asked Hosseini to explain the process to ensure quality street projects and recommended inspectors to review the work once completed. Councilmember McKee-Rodriguez suggested creation of a fund to assist businesses impacted by construction projects. Hosseini stated that helping businesses would not be an allowable use of funding, however, public works ensured all businesses could be accessed during construction. Councilmember McKee- Rodriguez suggested a longer lifeguard recruitment period, more training, and more ways to retain them as many pools were unable to open this year due to lack of staff.

Councilmember Viagran stated that her residents prioritized Parks and was disappointed that this need was not considered to be funded with the CPS Energy revenues, noting the need for restrooms and extended pool hours, suggested potential partnerships with other organizations such as schools and partnering with other entities that had playgrounds in addition to schools for making more greenspace available to residents. Councilmember Viagran also recommended partnerships for tree plantings and lighting in parks for sports leagues. City Manager Walsh stated that they would work to identify new projects for the \$1 million proposed for projects in each council district.

Councilmember Sandoval requested a written policy from Public Works on when sidewalks were recommended as well as streets on the IMP. Councilmember Sandoval suggested creating a sidewalk mitigation fund similar to the tree mitigation fund. City Manager Walsh stated that there should be a conversation at the Transportation Committee to discuss policies related to a potential sidewalk mitigation fund. Councilmember Sandoval stated that Council District 7 residents complained about vehicle speed, sidewalks, “F” streets and non-service alleys.

Councilmember Sandoval suggested that some of the Tree Mitigation Fund should be allocated to the 13 mile Culebra Road project. Garcia stated that Culebra Road from IH-10 to Callaghan was included in the plan to determine if it could benefit from the Tree Mitigation Fund. Councilmember Sandoval suggested that if there was an option for customers to opt-out of the CPS Energy rebate, that they be allowed to provide those funds toward planting trees.

Councilmember Perry asked VIA President Jeff Arndt to provide total revenues from 2018 to present, adding that he suspected the revenues had grown and suggested that more funds might not be needed. Arndt stated that without the \$10 million, VIA would have to push the ART Corridors back to 2050.

Councilmember Perry asked why three additional signal technicians were needed and requested additional details. Hosseini stated that the program was reactive rather than proactive as they had 29 current staff but not enough staff to be proactive with the 1,400 signals in the system. Councilmember Perry suggested that \$5 million for drainage maintenance projects seemed too low and requested information on the drainage maintenance budgetary need.

Councilmember Courage recommended acceleration of bond projects noting the spending plan had a large amount of money in the outer years. Hosseini mentioned that the largest expense on a project occurred towards the end, during construction.

Councilmember Courage stated that he was surprised to see so many programs were being decreased from FY 2022 spending plans and asked if there was enough capacity within the construction community to build all the projects as quickly as we would like. Budget Director Tate explained that Edward Aquifer and Linear Creekway revenues were being phased out due to the voter approved shift of those sales tax dollars. City Manager Walsh explained that the proposed

Budget recommended additional staffing to ensure project delivery. Councilmember Courage requested for more detailed information related to personnel costs in the Budget.

Councilmember Castillo recommended additional funding for tree mitigation and connected them to water main breaks that impacted street condition and ability for community gardens to be viable. She stated that residents often requested speed humps. Councilmember Castillo noted that there was not a pool of skilled workers for lifeguards due to COVID and applauded the higher wages and hiring incentive.

Councilmember McKee-Rodriguez requested clarification on the continued funding for the Edwards Aquifer Protection Program. Tate replied that \$10 million was planned in FY2023. City Manager Walsh explained that a Municipal Facilities Corporation, funded by a part of the SAWS revenues was created with debt tied to it. City Manager Walsh added that he proposed that the current year's \$10 million come from CPS Revenues.

Councilmember McKee-Rodriguez recommended shade at every VIA stop even if it meant a different design. Councilmember McKee-Rodriguez suggested a revised process to for speed humps request process. Hosseini stated that there needed to be support from the entire neighborhood for a speed hump, however, there were other options for traffic calming that could be considered. He recommended purchase of speed monitors to keep people aware of their speed.

Councilmember Perry requested more information on the proposed new staff and the reduction in grants for Public Works. Hosseini stated that the department planned to apply for grants but could not Budget until the grant was received and were expecting to apply for at least \$35 million in grant funds. Councilmember Perry asked for clarification on park improvement locations. Garcia stated that they had accelerated some projects in those council districts that had already been completed. City Manager Walsh stated that older park facilities were priorities and they tended to not be in Council District 10.

Councilmember Perry commented that he did not support the City Manager's recommendation to fund the Edwards Aquifer Protection Program with \$10 million from CPS Revenues and recommended that those dollars be refunded to customers. Councilmember Perry asked about the direct and overlapping debt, which did not include the 2022 Bond issuance. Elliott stated that it did not include the \$160,000 issued this year from the 2022 Bond Program.

Councilmember Sandoval supported the additional staff for the SMP and requested information on how projects were selected for tree mitigation funding and plan for speed humps.

Councilmember Courage requested information on the reserve policy noting that it was 10% this year, how many Certificates of Obligation were issued in the past few years and when they were paid off. Deputy City Manager Villagomez explained that the plan complied with the reserve

policy which was 10% of budgeted financial reserves with a minimum of 5% for the second year. Councilmember Courage requested the breakdown of \$133 million in other revenues. Councilmember Courage noted that Park environmental fees on CPS bill of \$1.50 per month was \$11 million in the Budget and suggested it could be removed due to the higher revenues. Tate explained that the Park Environmental Fee began in 2014 to support reoccurring expenses not budgeted in the General Fund. Councilmember Courage also noted that \$10 million annually for the Edwards Aquifer Protection was programmed in the Parks Budget. City Manager Walsh explained that the proposal was to take an increment from the SAWS Revenue each year to fund the Edward's Aquifer Program except that the Proposed Budget would utilize CPS Revenues instead of issuing debt against the SAWS Revenue.

Councilmember Rocha Garcia asked about the capacity of the sidewalk program and why next year's miles of sidewalks was decreasing. Councilmember Rocha Garcia stated that there were miniature speed humps that she had seen in some private developments and suggested these could be used by the City. Councilmember Rocha Garcia asked what would happen to the positions created by the Bond Program if there was no bond program in 2027. City Manager Walsh stated that positions funded by the bond would contract.

City Manager Walsh stated that a follow up memo would be provided to the City Council that included responses to all questions from the meeting.

EXECUTIVE SESSION

No Executive Session was held.

ADJOURNMENT

There being no further discussion, the meeting was adjourned at 5:20 PM.

Approved

Ron Nirenberg
Mayor

Debbie Racca-Sittre
City Clerk