

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



**Meeting Minutes
City Council Budget Work 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, September 7, 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. Airport

B. Solid Waste

City Manager Erik Walsh introduced the Department Directors for Aviation and Solid Waste Management.

David Newman, Director of Solid Waste Management Department (SWMD), provided an overview of the Department's Proposed FY 2023 Budget of \$168.3 million, an increase of 7.7% over the prior Fiscal Year. Newman noted that personnel expenses and fuel costs, vehicles and waste disposal had increased. He noted that the Solid Waste Enterprise Fund included the Solid Waste Fee, Environmental Fees collected by CPS Energy on behalf of the City and other revenues that included recycling. Newman provided a comparison chart of performance measures as proposed for FY 2023 and FY 2022 projected results compared to the prior three years of actuals.

Newman outlined the rates charged to customers, landfill diversion rate and disposition locations of the different commodities such as landfill, brush, recycling and organics. He provided results of the FY 2022 improvements including the Hot Shot Illegal Dumping Crew and requested an additional \$846,000 for FY 2023 to add another Hot Shot Crew and to develop an advertising campaign. Newman stated that the plan was to rebalance routes due to growth within the City, which required 15 additional drivers. He recommended phasing out commercial customer services at the Bitters Brush Site and adding equipment and one mechanic to increase capacity for Bulky pickup and disposal. Newman closed his presentation by thanking his staff for their work and dedication.

Jesus Saenz, Director of the Aviation Department, thanked the staff and the Airport Advisory Committee for their work. He provided an overview of the Department's Proposed FY 2023 Budget of \$259.4 million, an increase of 16.8% over the prior Fiscal Year. Saenz listed the breakdown of expenditures including the Airport Operations and Maintenance Fund, Passenger Facility Charge Fund, Customer Charge Fund, Airport Terminal Development Program Fund, Capital Project, and Grants. Saenz provided a historical chart of revenues and expenditures from FY 2019 through the Proposed FY 2023 Budget and listed opportunities for grants under the Federal Bipartisan Infrastructure Law (BIL) as well as grants already received in the prior year.

Saenz highlighted the Budget improvements to the Air Service Program, passenger enhancements such as expansion to the gates in both Terminal A and B and passenger K-9 units to enhance security. Saenz noted that in FY 2023, Concessions was expected to collect \$30.6 million and \$28.45 million was anticipated to be collected from Parking. He outlined the \$83.3 million Capital Improvement Program that included upgrades to terminals, technology, security, roadway reconstruction, parking expansion, airfield gates and adjacent improvements, and improvements at Stinson Municipal Airport.

Saenz provided an overview and timeline for the Airport Terminal Development Program that was anticipated to be the largest Capital Project in the City's history, commented that it was a major generator for the region and proposed 30 additional positions to manage and deliver the program, a new Executive Program Manager contract with Answer Advisory Consulting LLC, and three On-call Engineering Consultants (Adkins North America, Inc., Jacobs

Engineering Group and Garver, LLC).

Mayor Nirenberg opened the discussion by requesting the overall calendar, Budget, and plan for the Strategic Airport Terminal Development Program from the Aviation Department. City Manager Walsh commented that the Budget was being validated by a consultant before it would be budgeted, and Saenz provided a Gantt chart of the proposed schedule. Mayor Nirenberg asked whether the San Antonio International Airport (SAIA) was still on track, having not received the Federal Grant for Terminal Development. Saenz stated that the Airport Terminal Development Program was still on track and there would be a new Terminal C opening in 2028. Mayor Nirenberg recommended preparation for capacity within the garage in anticipation of the construction and expansion as well as display of photo of the vision at SAIA so patrons could look forward to the new Terminal and other improvements.

Mayor Nirenberg asked Newman how the landfill diversion rate could be improved and stated that he would support budget improvements to help the rate. Newman stated that the 40% rate was relatively high in Texas and stated that a perfect diversion rate was 60% but noted that the new recycling company could provide more diversion. City Manager Walsh commented that the increased costs for labor, landfill, and equipment as well as the new recycling company could be an opportunity for a rebalancing of the recycling program to make it more effective.

Mayor Nirenberg asked if SWMD could ever become cost neutral with the increased recycling. Newman stated that at the present time, there was a cost of \$3 per ton for recycling but it was still cheaper than landfill.

Mayor Nirenberg asked if the Hot Shot Illegal Dumping Crews responded to trash in the urban areas. Newman provided some examples of locations that had been cleaned as a result of calls to 3-1-1. City Manager Walsh added that the Hot Shot Illegal Dumping Crews went to all areas of the City but not on the Highway System as it was the responsibility of the Texas Department of Transportation. Mayor Nirenberg commented on the excellent communications messaging performed by SWMD and requested a new advertising campaign to help keep our City clean and trash off of our streets and neighborhoods.

Councilmember McKee-Rodriguez recommended that SWMD keep track of who and where illegal dumping had occurred and requested a map of the areas. Newman responded that the department tracked locations, but it was difficult to track who was doing the dumping. Councilmember McKee-Rodriguez suggested that the advertising campaign needed to be positive and expressed concern that even after successful community cleanups, the illegal dumping simply continued. Overall, the Councilmember supported the improvements recommended by SWMD.

Councilmember McKee-Rodriguez suggested that more International Flights at SAIA be sought. Saenz mentioned that the International Flight market was extremely competitive and described the strategies that the Aviation Department was employing to grow the international market.

Councilmember Sandoval cautioned that closing the Bitters Brush Center to commercial clients would reduce revenue and expressed concern about alternatives for those customers that would be responsive to concerns of neighbors of the new locations. Newman stated that there were

other locations for brush and that the reduced revenues would be compensated by reduced costs.

Councilmember Sandoval commented that although alley pickup was twice as expensive as street pickup, those customers paid the same rate even if street pickup was available. She requested information on waste hauler permits and asked about the performance of the Hot Shot Illegal Dumping Crew cleanup in Council District 7. Newman stated that the largest homeless encampment that was cleaned up by the Hot Shot Crew was along Fredericksburg Road in Council District 7.

Councilmember Sandoval asked Saenz about the new Airport Enterprise Fund that was being created. Office of Management and Budget Director Justina Tate stated that the Airport Terminal Development Fund would pay for the positions supporting the capital project and were paid from the capital project.

Councilmember Cabello Havrda asked how many crews were handling illegal dumping. Newman stated that there was one dedicated Hot Shot Illegal Dumping Crew, and the rest of the crews would pick up if they had time. She suggested adding signage that indicated where legal and free dump sites could be found and bollards blocking alleys or other closed areas could help. Newman stated that they would dump right at the signs, but bollards were a good deterrent, and they would coordinate more with the Public Works Department.

Councilmember Cabello Havrda supported the Airport Airport Terminal Development Program and asked Saenz to provide target International Destinations. Brian Pratte, Chief Airport Marketing Officer, stated that the department was looking both at domestic and international flights, but he could not list specific cities due to nondisclosure agreements but added that the opportunities were great. Councilmember Cabello Havrda asked about the work of the Airport System Development Committee. Saenz stated that the Committee was supportive as it was made up of representatives from the business community. Councilmember Cabello Havrda requested periodic updates at the Transportation and Mobility Committee on the Airport Terminal Development Program and grant opportunities.

Councilmember Cabello Havrda commented that airport development and economic development went hand in hand and was an investment in our community.

Councilmember Rocha Garcia announced a recognition of SWMD employees next week in Council District 4 and suggested that increased street lighting might be a measure to help curtail illegal dumping. She expressed concern that closing the Bitters Brush Site could cause more illegal dumping. Councilmember Rocha Garcia commented on the success of SWMD's educational programs with children.

Councilmember Rocha Garcia asked about the return-on-investment related to lobbying for Federal Funding for the Airport and requested an update through the Intergovernmental Relations Committee. She commented that many members of the business community drove to Austin and flew out of that Airport and requested information on passenger goals, noting that SAIA had a great advocate in John Dixon. Councilmember Rocha Garcia asked if there was an opportunity for air service to the Rio Grande Valley. Saenz stated that the Rio Grande Valley

was probably too close and added that the SAIA regularly coordinated with Austin.

Councilmember Castillo suggested that SAIA work with the Office of Sustainability and promote green building for the new infrastructure. Saenz stated that these items would be included in the new design standards led by Tim O’Krongly, Deputy Aviation Director.

Councilmember Castillo thanked SWMD for their work on neighborhood cleanup and expressed support for a pilot program to add lighting to areas where there was illegal dumping especially near the railroad tracks and highways. Councilmember Castillo requested information on the outreach methods related to communicating collection day changes. Newman stated that they planned to put stickers on the carts, pass out info at neighborhood and Dial-A-Trailer events as well as using social media and texts. Councilmember Castillo asked about the FY 2019 rate increase and the potential rate increase in FY 2024. Newman stated that in 2019, the rates were changed for the large cart and decreased for the small and medium carts.

Councilmember Castillo asked for clarification on proactive visits by the Hot Shot Illegal Dumping Crew and recommended that SWMD continue the Dial-A-Trailer Program and provide more information on the available brush and bulky sites. Newman stated that the Hot Shot Team proactively went to trouble spots and cleaned them up on a regular basis.

Councilmember Pelaez commented on a newspaper article that spoke negatively about the SAIAs grant application for the BIL and asked for an update on the total Federal funding that had been received by the Aviation Department in the past. Saenz noted that \$11.9 million was awarded in FY 2022 and \$89 million from Coronavirus Aid, Relief, and Economic Security Act (CARES), American Rescue Plan Act (ARPA) and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) Federal Grants. Councilmember Pelaez commented on the difficulties experienced by migrants that came through the SAIA and requested that there could be an ambassador behind the gate to help answer questions rather than them having to go to the Gate Agents who often disrespected them.

Councilmember Pelaez suggested that data could be utilized to improve the illegal dumping problem through a program called “Litterati” which he suggested could be a partner to help with litter prevention and supported a goal of eliminating litter. Newman stated that the program was expensive, but he could reassess the product.

Mayor Nirenberg commented on an incident where Saenz went above and beyond to help a migrant who was on a flight with the Director and Mayor while the migrant was on his way to a host family.

Councilmember Viagran acknowledged that the Aviation Department was not going to receive every grant but offered assistance with lobbying the Federal Government. Councilmember Viagran commented that the small amenities at an airport made an important difference. Councilmember Viagran applauded the work of the SWMD during the pandemic and congratulated the team for winning the 2022 TxSWANA State Road E-O Competition. She commented that the Hot Shot Illegal Dumping Crew was a great asset. Councilmember Viagran recommended that SWMD provide outreach and an advertising campaign to help encourage residents to move to the smaller brown cart which would cost them less, possibly in

collaboration with the Senior Centers. Councilmember Viagran suggested that illegal dumping adversely impacted our climate action plan and harmed neighbors. Councilmember Viagran recommended determining a new way to educate the public related to recycling of single use plastic bags.

Councilmember Perry requested the fund balance and total revenues and cost for FY 2023. Tate reported that the Solid Waste Fund had a \$11 million balance and that the FY 2023 cost was proposed at \$144 million with a revenue of \$134 million and there was a projected fund balance of just over \$400,000 at the end of the FY 2023. Councilmember Perry suggested that there should be a safety net in the fund balance and recommended SWMD identify efficiencies to keep from increasing the rates. City Manager Walsh noted that in order to maintain the service at current levels, SWMD would eventually need to have a rate increase but would incentivize residents to reduce their cart size. Councilmember Perry asked for information on arrests and prosecution for illegal dumping activity. City Attorney Andy Segovia stated that illegal dumping was a felony offense prosecuted by the Bexar County District Attorney.

Councilmember Perry asked the Aviation Department for a funding plan for the Airport Terminal Development Program overlaid with the Gantt chart that Saenz presented. He requested total revenue versus expenses for FY 2023 for the Airport Operating Fund. Tate stated that the Airport Operating Fund revenues were \$139 million with \$137 million being appropriated. Councilmember Perry requested a comparison with Austin's passenger facility charges and car rental facility charges. Councilmember Perry commented that the Aviation Department did not really control the addition of flights. Saenz stated that ultimately it was the Airline and passengers who decided flights were needed, but the Aviation Department could take measures to make our facilities more competitive. Councilmember Perry requested the addition of a direct flight to Reagan. Assistant City Manager, Jeff Coyle noted that this was a part of the FAA authorization discussion.

Councilmember Courage requested the average concession revenue over time. Freddie Martinez, Assistant Budget Director, stated that concessions were from food, retail and car rentals and in FY 2019 it was \$24 million and was increasing to \$30.6 million for FY 2023. Councilmember Courage asked about parking capacity and the use of VIA Metropolitan Transit park-and-ride facilities. Saenz stated that passengers were provided information on the various ways to get to SAIA whether by personal car or by public transit.

Councilmember Courage recommended improvements to the luggage system at SAIA. Councilmember Courage asked about the scoring related to the recommended General Engineering Consulting Services. Saenz clarified that the final scores were computed after the applicants were interviewed.

Councilmember Courage suggested using the slogan "Don't mess with the Alamo City" for SWMD's anti-illegal dumping campaign and suggested the use of lighting and cameras as a deterrent. Councilmember Courage recommended educational campaigns to help increase recycling and commented that there were more domestic recycling companies than in years past. Councilmember Courage asked about the process for cleaning the streets and why was it a part of Stormwater versus Solid Waste.

Councilmember Bravo suggested that the pricing should be comparable relative to cart sizes. Newman stated that when fees were reviewed, staff tried to ensure that there was a spread in price between the small and the large cart. Councilmember Bravo supported the use of the Litterati application.

City Manager Walsh stated that staff would overlay the streetlight map with illegal dump locations.

EXECUTIVE SESSION

Mayor Nirenberg recessed the meeting at 4:42 PM to enter into Executive Session 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 litigation involving the City pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- D. Legal issues relating to COVID-19 preparedness pursuant to Texas Government Code Section 551.071 (consultation with attorney).

Mayor Nirenberg reconvened the meeting in Open Session at 5:54 PM and announced that no action was taken in Executive Session.

ADJOURNMENT

There being no further discussion, the meeting was adjourned at 5:54 PM.

Approved

**Ron Nirenberg
Mayor**

**Debbie Racca-Sittre
City Clerk**