

**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  
Rosie Castro, Dist. 7 | Manny Pelaez, Dist. 8  
John Courage, Dist. 9 | Clayton Perry, Dist. 10

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**Wednesday, March 8, 2023**

**2:00 PM**

**Municipal Plaza Building**

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The City Council convened a regular meeting in the Norma S. Rodriguez Council Chamber in the Municipal Plaza Building beginning at 2:01 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, Castro, Pelaez, Courage, Perry

**ABSENT:** None

**ITEMS**

1. Post solicitation briefing on the Digital Connectivity in Underserved Community Areas Request for Proposals. [John Peterek, Assistant to the City Manager; Brian Dillard, Chief Innovation Officer, Office of Innovation]

City Manager Erik Walsh introduced the Item and Brian Dillard, Chief Innovation Officer who presented information on the priority locations and the approach to working with the internet service providers (ISP). City Manager Walsh noted that while some residual American Rescue Plan Act (ARPA) funding had been recommended to help cover a gap in

funding, however, there was still an approximate funding gap of \$200,000.

Dillard provided an overview of the Request for Proposals (RFP) which sought to identify quality affordable internet services which was defined as 100 megabits per second (mbps) download speed and 20 mbps upload speed at a maximum cost of \$30 per month per household. Dillard stated that 26 census tracts had been identified for the City's project based on the Equity Atlas scores and also noted that Bexar County was targeting 11 census tracts on the south side of town outside of the city limits for their funding.

Dillard provided information on the budget related to the project and listed State and Federal grant opportunities. He stated that the COSA funding was \$8.7 million with \$13 million leveraged from AT&T.

Mayor Nirenberg clarified that the recommendation was for two vendors to begin implementation in April or May 2023 and was a 36-month implementation timeline. Mayor Nirenberg asked how many families would be served. Dillard replied that the impact was approximately 18,000 households.

Councilmember Courage expressed concern that the vendors should provide quality work and not cause issues for the neighborhoods related to construction. He wanted to ensure that the system had an opportunity to grow and expand and there would be a way to measure the speeds to ensure that the minimum internet speed standards were met. Councilmember Courage asked about connectivity and affordability. Dillard stated that residents could apply directly with the Federal Communications Commissions for the free service and devices. Councilmember Courage suggested the ISPs might also take advantage of the Federal funding to help bring their costs down. Assistant to the City Manager John Peterek confirmed that AT&T was investing \$13 million of their funds in San Antonio and were not seeking reimbursement.

Councilmember Rocha Garcia recommended ensuring the ISPs implement high safety standards for their construction workers and that most of the workers would be local and potentially use Ready to Work participants. Councilmember Rocha Garcia requested the construction to be included in the dashboard so residents could see when their area was impacted and also suggested that there was an abundance of cyber jobs which could be filled through Ready to Work participants.

Councilmember Viagran commented that this was one of her favorite topics because technology brought opportunity especially for the South side of town. She suggested that the digital divide was an issue before the pandemic, and it became magnified during the COVID-19 Pandemic and was pleased to have the City leading this effort and requested a timeline for the Bexar County program. Councilmember Viagran recommended more investment in the South side of San Antonio to accommodate the growth and larger conversations with the National Digital Inclusion Alliance as well as the San Antonio Digital Connects. She recommended finding a non-profit that could apply for State and Federal funding to bring more money for these efforts to our city.

Councilmember Cabello Havrda thanked staff, the community and Communication Workers of America (CWA) for advocating for this and also thanked AT&T for their investment. Councilmember Cabello Havrda wanted to ensure that all workers implementing the program were

safe and adequately compensated for the contractors and subcontractors. Councilmember Cabello Havrda recommended that the City ensure that the workers met Fair Labor Standards Act (FLSA) and Occupational Safety & Health (OSHA) Standards. City Manager Walsh stated that the City would actively monitor and manage the contract with the ISPs to ensure compliance.

Councilmember Cabello Havrda asked about the security of the State and Federal funding. Dillard stated that the City needed to challenge the maps that had been provided as most were showing that San Antonio was already meeting the standard in all areas but he disagreed with the maps.

Councilmember Castillo was pleased to see that training and FLSA was a part of the negotiation process and recommended that those were included as requirements in the contract. City Manager Walsh stated that these items were included in the negotiation along with quality. Councilmember Castillo also recommended hiring local workers and training them, as well as, ensuring that the subcontractors did not have histories of underpaying their workers or not following safety standards.

Councilmember Perry asked for clarification on the infrastructure standard and recommended a metric counting the total actual connections. Dillard stated that the plan was to upgrade the existing copper connections to fiber optics up to the homes but the resident would need to supply the equipment and connect it inside the home. Councilmember Perry requested information on the price customers would pay and if the subsidies were a cost to the City. Dillard stated that the Affordable Connectivity Program (ACP), provided by the Federal Communications Commission, subsidized the customers directly. Peterek noted that the City's contract scope was to improve the speed and availability of service but customers would need to qualify for the ACP.

Councilmember Perry requested a comparison of the costs and cost share between the two vendors and suggested that the Spectrum Gulf cost proposal that Bexar County was considering was better because Spectrum was investing \$26 million and AT&T only \$13 million. City Manager Walsh clarified that Bexar County was spending more per residential connection due to the large area and lack of infrastructure in the unincorporated areas. Dillard explained that the proposals were reviewed independently because they each bid on separate projects. Councilmember Perry asked why the one vendor was deemed non-responsive. Dillard explained that the non-responsive proposal was incomplete and did not address the request.

Councilmember Bravo recommended the hiring of local workers and asked why the Local Preference Program was not included. Troy Elliott stated that hiring of local workers would be a part of the negotiation but the Local Preference Program was intentionally excluded in the RFP so that the program would qualify for Federal funding later, if available. Councilmember Bravo was interested in labor protections as well.

Councilmember Castro recommended firewall protections for the resident users and ensuring affordability and education for users so they could safely participate in these high tech opportunities.

Councilmember Pelaez commented that there were residents and small businesses who were

vulnerable to scammers and expressed concern that we might be connecting folks that could become victimized, therefore, he recommended more training for the community. Councilmember Pelaez talked about the work of the now defunct, Innovation Committee and credited the Committee for starting the digital inclusion conversation. Councilmember Pelaez noted that Congressman Henry Cuellar was insistent that the requests of the Communications Workers of American (CWA) were met. Councilmember Pelaez thanked Marina Gavito for her work.

Councilmember Pelaez recommended community outreach and a proper notification to residents regarding construction and service availability.

Councilmember Perry did not support requiring the company to use union labor but instead recommended a performance-based contract.

Councilmember Pelaez asked J.D. Salinas from AT&T whether the company would support union workers. Salinas stated that by contract AT&T was already working with the CWA and were committed to their more than 4,000 employees in San Antonio. Salinas also stated that AT&T had a digital literacy program for residents.

Mayor Nirenberg noted that the project was not just about construction, but was also about quality employment for workers, even careers, as well as services to our community. He also wanted to ensure that the City brought in State and Federal funding.

2. Post solicitation briefing on the American Rescue Plan Act (ARPA) - State and Local Fiscal Recovery Funds (SLFRF) recommended funding awards of \$5,050,000.00 for Small Business Support Services competitive solicitation. [Alejandra Lopez, Assistant City Manager; Brenda Hicks-Sorensen, Director, Economic Development Department]

City Manager Erik Walsh introduced the Item and Ana Bradshaw, Assistant Director of Economic Development, who presented the Item. City Manager Walsh stated that the 18-month contracts were expected to be brought before the City Council on March 23, 2023. Bradshaw provided an overview of the ARPA implementation plan developed in close consultation with the Small Business Advisory Commission (SBAC). She noted that many of the issues were around before COVID but the pandemic exacerbated the issues for small businesses.

Bradshaw outlined the past funding and grant programs and recommendations for the RFP which aligned with Federal requirements for the funds. Bradshaw recommended seven proposals for award totaling \$5.05 million for the following programs: development of web presence, growth fund, ecosystem and back-office support. Bradshaw provided a timeline for the RFP and contracts, listed the evaluation panelists and scoring criteria.

Councilmember Pelaez, Chair of the Economic and Workforce Development Committee, requested outreach to the Asian community small businesses as well as African American and Latino owned businesses.

Councilmember Rocha Garcia wanted to ensure the business development organizations (BDO) had the capacity to implement the program. She asked about one of the proposers HeroSpace. Bradshaw stated that HeroSpace was a local technology company that specialized in web services

and web building. Councilmember Rocha Garcia asked whether Southside First applied. Bradshaw stated that they were a part of Local Initiatives Support Corporation's (LISC's) BDO alliance

Councilmember Viagran supported the work of the BDOs in helping small businesses access capital and enhance their web presence. Councilmember Viagran recommended a look at supporting small businesses beyond ARPA funding.

Councilmember Perry asked for a total investment amount in small business from ARPA. Bradshaw stated that the total investment in small business from ARPA was \$30.95 million with additional funding for construction impact grants recently set aside. Councilmember Perry noted that the requests had far exceeded the amount available so he suggested that more investment was needed. Councilmember Perry requested information on the requests versus the amount of CARES Act and ARPA Federal funding distributed to small businesses as well as other resources that might be available moving forward.

Councilmember Castillo thanked the SBAC for their work and recommended setting milestones and metrics for the contracts to ensure that the agencies were providing services successfully. She requested a monthly report on the contracted activities.

Mayor Nirenberg supported Councilmember Perry's request for a report on all the funding invested in small businesses over the past two years as well as the outcomes. Mayor Nirenberg recommended more technical assistance to local small businesses to help them grow and build capacity in a positive way. He noted that tomorrow was the anniversary of ARPA.

## **EXECUTIVE SESSION**

Executive Session was not held.

## **ADJOURNMENT**

There being no further discussion, the meeting was adjourned at 3:32 p.m.

**Approved**

**Ron Nirenberg  
Mayor**

**Debbie Racca-Sittre  
City Clerk**