

**CITY COUNCIL MEETINGS OF THE CITY OF LEON VALLEY, TEXAS
AUGUST 7, 2012**

The City Council of the City of Leon Valley, Texas, met on the 7th of August, 2012 at 6:00 p.m. at the Leon Valley City Council Chambers, at 6400 El Verde Road, Leon Valley, Texas, for the purpose of the following business, to-wit:

SPECIAL MEETING OF THE CITY OF LEON VALLEY CITY COUNCIL, 6:00 P.M.

1. **Call the City of Leon Valley Special City Council Meeting to Order, and Determine a Quorum is Present.** Mayor Riley called the Special City Council Meeting to order at 6:00 p.m. with all members of the City Council present: Hill, Reyna, Baldrige, Dean, and Bieber.

The following staff members were in attendance: City Manager Longoria, City Attorney McKamie, City Secretary Willman, Community Development Director Flores, Economic Development Director Mora, Finance Director Wallace, Human Resources Director Caldera, and Police Chief Wallace.

2. **Executive Session in Accordance with the Texas Government Code. The City Council of the City of Leon Valley will Convene in Executive Session Regarding the Fiesta Dodge Property, M&C # 08-01-12.**

- A. The City Council of the City of Leon Valley convened in Executive Session at 6:01 p.m. pursuant to Section 551.071, Consultation with Attorney, and
- B. Pursuant to Section 551.087, Deliberation Regarding Economic Development Negotiations (1) to Discuss or Deliberate Regarding Commercial or Financial Information that the Governmental Body Seeks to Have Locate, Stay, or Expand in or Near the Territory of the Governmental Body and With Which the Governmental Body is Conducting Economic Development Negotiations.

3. **The City Council of the City of Leon Valley reconvened into Open Session at 7:03 p.m. and considered possible actions arising out of Executive Sessions 2.A., or 2.B., as follows:** No actions were taken.

4. **Adjourn.** Motion by Councilman Reyna seconded by Councilman Bieber to adjourn the meeting at 7:03 p.m. without objection.
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REGULAR MEETING OF THE CITY OF LEON VALLEY CITY COUNCIL, 7 P.M.

1. **Call the City of Leon Valley Regular City Council Meeting to Order, Determine a Quorum is Present, and Pledge of Allegiance. (Mayor Riley)**

Mayor Riley called the Special City Council Meeting to order at 7:03 p.m. with all members of the City Council present: Hill, Reyna, Baldrige, Dean, and Bieber.

The following staff members were in attendance: City Manager Longoria, City Attorney McKamie, City Secretary Willman, Community Development Director Flores, Economic Development Director Mora, Finance Director Wallace, Fire Chief Lee, Human Resources Director Caldera, and Police Chief Wallace.

Mayor Riley led the assembly in the Pledge of Allegiance.

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Mayor Riley announced two upcoming birthdays; City Manager Longoria and Councilman Reyna. In keeping with the City Council's tradition, birthday cakes were presented to Mr. Longoria and Councilman Reyna. Community Development Director Flores led the assembly in singing the birthday song.

2. Citizens to be Heard and Time for Objections to the Consent Agenda.

Al Uvietta, 6923 Sunlight Drive, updated the City Council about the VIA Primo Project discussed at the VIA Citizens Advisory Meeting he attended. Mr. Uvietta reported the Primo Project is moving very fast, those who have seen the work on Fredericksburg Road will understand. He indicated the newest version of the Primo buses is wonderful with many new improvements. He further reported that electric buses that will be used in downtown San Antonio will recharge in 30 minutes. He indicated that the Westside Modal Center is being developed and is very nice.

Motion by Councilman Bieber and second by Councilman Reyna to approve Consent Agenda Items 3, 4, 5, and 6 as presented. The motion carried on unanimous vote of the City Council. Voting Aye: Hill, Reyna, Baldrige, Dean, and Bieber. Voting Nay: None. Mayor Riley announced the motion carried.

Consent Agenda

3. Consider Approval of the Meeting Minutes of the July 17, 2012 Leon Valley Special and Regular City Council Meetings. The City Council approved the minutes of the Leon Valley Special and Regular City Council Meetings of July 17, 2012.

4. Consider Action on an Ordinance, Appointing Members and Alternates to the Commemoration Committee, the Earthwise Living Committee, and the Leon Valley Public Library Board of Trustees, M&C # 08-02-12. The City Council adopted an ordinance appointing members and alternate members to the City Council's Boards, Committees, and Commissions, following the May 2012 Elections; with such appointments to be effective immediately and the terms to be co-terminus with the Mayor's Term of Office.

Adopted Ordinance No. 12-018 – Appointing Darby Riley, Ed Conroy, Patty Manea, Wendy Phelps, Wanda Phelps, Jim Wolfshohl, Betty Wolfshohl, Rosie Schaeffer, Barbara Fryer, Olen Yarnell, Walter Reed, Carol Reed, Robert Dons, Linda Dozier, Shirley Owen, and Carlos Vera to the Commemoration Committee; appointed Brenda Sarmiento to the Earthwise Living Committee; and appointed Peggy Proffitt to the Leon Valley Public Library Board of Trustees.

5. Consider Action on a Resolution Canceling the City Council Meeting(s) of November 20, 2012 to Allow the City Council, Community, and City Staff to Fully Observe the Thanksgiving Holidays. M&C # 08-03-12. The City Council adopted a resolution canceling the Tuesday, November 20, 2012 City Council Meeting(s) so the City Council, community, and City staff may fully observe the Thanksgiving holidays.

Adopted Resolution No. 12-010 – Canceling the City Council Meeting(s) of Tuesday, November 20, 2012.

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6. **Consider Action on M&C # 08-04-12 with Attached Ordinance Accepting Communications Equipment and Grant Funds in the Amount of \$6,122 from Southwest Texas Regional Advisory Council (STRAC) and Making Associated Budget Adjustments for the Leon Valley Fire Department EMS Supplies and Equipment Budget.** The City Council adopted an ordinance amending the Fiscal Year 2012 Budget to allow for the purchase of EMS supplies and equipment based on grant funding received.

Adopted Ordinance No. 12-019 – Approving amendments to the Original Budget of the City of Leon Valley, Texas, for the Fiscal Year of 2012.

Regular Agenda

7. **Consider Action on M&C # 08-05-12, a Request by American Legion Post No. 336 for the City of Leon Valley to Co-Sponsor a Patriot Day Remembrance Ceremony on September 16, 2012 at the Leon Valley Community Center and Waive Any Applicable City Facility Use Fees.**

The City Council considered co-sponsoring the Patriot Day Remembrance Ceremony commemorating the heroism on September 11, 2001 and considered waiving all or some charges and use fees.

Walter Geraghty, American Legion Post No. 336 Commander, addressed the City Council detailing Post No. 336's history in working at a State and City level, mentioning the awards the Post received in 2011. Mr. Geraghty reported he is proud of the partnership between the City of Leon Valley and American Legion Post No. 336 and would like for the partnership to continue.

Motion by Councilman Reyna and second by Councilman Dean to adopt the Staff's recommendation that American Legion Post No. 336 pay \$292 for the cleaning and security with the City of Leon Valley waiving \$1,000 for the deposit and rental fees. The motion carried on unanimous vote of the City Council. Voting Aye: Hill, Reyna, Baldrige, Dean, and Bieber. Voting Nay: None. Mayor Riley announced the motion carried.

8. **City Manager Presents Proposed Fiscal Year 2013 Budget, M&C # 08-06-12.** City Manager Longoria formally presented his Proposed Fiscal Year 2013 Budget Recommendations to the City Council. Mr. Longoria detailed the highlights of the Proposed Fiscal Year 2013 Budget, discussed the developmental process used, announced the scheduled work sessions, and informed the assembly that each member of the City Council received a copy of the Budget the week before this evening's meeting. He reported that the Budget is also posted on the City's website.

Mr. Longoria reported that the City is in a good financial position with an AA rating which has been confirmed by Standard & Poors. The City Manager summarized the proposed revenues. He indicated the projections which form the basis of this year's Proposed Budget recommendations are from the prior year's revenue activity, current year-to-date activity, and future factors including economic vitality. Mr. Longoria noted that the Proposed Property Tax Rate is \$0.574282 which includes \$0.038772 for debt service on the new Municipal Facility Improvement as authorized by the City's voters in the May

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2012 Bond Election. The Budget highlights focused on the presented Budget being balanced as required by Texas statute. Mr. Longoria detailed the Sales Tax, CIED Fund Revenue, Municipal Facilities Improvements, Ending Fund Balance, Committed Fund and Balances. He reiterated that the proposed property tax rate carries the same amount \$0.476752 as the FY2012 Budget for maintenance and operations. Mr. Longoria noted that the Proposed Property Tax Rate is below the rollback rate but higher than the effective tax rate due to the City's new debt service obligations. The City's Property Taxable Value contains an increase of \$4.8 million from FY2012. He quickly discussed the Water and Sewer Fund, the Street and Maintenance Funds, and other Funds. It was noted that the increases in the water and sewer utility fund are due to mandatory increases from the Edwards Aquifer Authority. The Baseline Budget maintains the current levels of service with staff-identified reductions and efficiencies of \$300,000 based on new technologies and demonstrated savings through attrition. Mr. Longoria commended the staff for their efforts to help him keep the Proposed Property Tax Rate at the level presented. He noted that Employee Benefits include a 1 percent salary Cost of Living Adjustment, Merit/Performance Pay, and Longevity Pay. Reflected is a slight adjustment for inflation in supplies, materials, and contracted services. Longoria pointed out that Key Capital Expenditures include the Municipal Facilities Improvements, the Library Children's Wing Expansion, and Bandera Road Monuments. The expenditures feature better reallocation of salaries to the Water and Sewer Fund, \$40,000 for the Bandera Road Signalization Project, a fulltime position in Public Works dedicated to maintaining the Bandera Road Business Corridor, and \$10,000 in funds set aside for the City's 60th Anniversary Celebration in October 2012. The Tax Rate Comparison Chart is based on the City's Proposed Property Tax Rate for Fiscal Year 2013 compared with what other Bexar County cities have as their Fiscal Year 2012 tax rates. It was suggested by the City Council that annotation be made on that slide on the version posted to the City's website to ensure clear communications.

9. **Presentation of the Leon Valley Economic Development Corporation Proposed Fiscal Year 2013 Budget, M&C # 08-07-12.** Economic Development Director Mora presented the Proposed Fiscal Year 2013 Leon Valley Economic Development Corporation (LVEDC) Budget. Ms. Mora noted that LVEDC Chairman Abraham Diaz is in attendance should the City Council have questions regarding the Budget. Ms. Mora noted that the very same process was used in developing the Budget as was used by City staff. The Total Sales Tax Revenue is projected at \$200,200 and combined with the Beginning Fund Balance reflects \$526,107 in Total Resources Available. The Professional Fees are \$40,000 for Legal Services. The Contractual Services includes \$41,153 for the City of Leon Valley's administrative services support contract. Ms. Mora noted that Project Funding is \$108,147 which includes a contribution to be determined by the LVEDC in the new fiscal year towards the Bandera Road Monuments. Mora reported that FY2012 Activity included 3 project applications.

The City Council asked a number of questions related to the Proposed LVEDC Budget including the level of activity in the prior year, promotional efforts to educate the public that funding is available, and questions about the legal services fees. Ms. Mora reported that although there are no active promotional activities, that staff does respond on a weekly basis to calls from the public and prospective businesses with information about the application process and funding available. She indicated that the LVEDC Board wants to develop new guidelines and a new user-friendly application. It was

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noted that the Board may be seeking to set up a façade program and a revolving loan program. Staff is using the available low-cost resources to promote the LVEDC's current programs including other EDC programs throughout the state. It was noted that the legal services contractual fees reflect current obligations as well as monthly meeting attendance and legal documentation review on an ongoing basis.

10. **Discuss and Consider Action on a Resolution Supporting Legislation to Permit Indefinite Renewal of the Street Maintenance Sales and Use Tax for Consideration in the 2013 State of Texas Legislative Session, M&C # 08-08-12.** The City Council discussed, considered, and determined matters pertinent to presenting a local bill for permitting the indefinite renewal of the Street Maintenance Sales and Use Tax to be considered in the 2013 State of Texas Legislative Session. The bill would allow the City of Leon Valley to leverage funding in order to maintain and reconstruct streets and roads in the City of Leon Valley. City Manager Longoria framed the policy matter before the City Council noting that during the City Council/City Manager Work Session in May, that one of the priorities set was to provide for the ongoing infrastructure funding needed not only to maintain streets but to affect actual reconstruction of some the City's main thoroughfares. There was some City Council discussion about Governor Perry's veto on two like legislative bills presented in two previous legislative sessions. The City Council noted the importance of communicating with the Governor's Office the unique situation in which the City of Leon Valley is affected by being landlocked with the majority of its property ad valorem taxes coming from residential property. It was explained that this situation presents challenges from the perspective of aggregating sufficient funding for street reconstruction. Following the deliberation, the City Council voted on the Resolution.

Motion by Councilman Reyna and second by Council Member Baldrige to adopt the Resolution supporting legislation to permit indefinite renewal of the Street Maintenance Sales and Use Tax for consideration in the 2013 State of Texas Legislative Session. The motion carried on unanimous vote of the City Council. Voting Aye: Hill, Reyna, Baldrige, Dean, and Biever. Voting Nay: None. Mayor Riley announced the motion carried.

Adopted Resolution No. 12-011 – Supporting legislation to permit indefinite renewal of the Street Maintenance Sales and Use Tax for consideration in the 2013 State of Texas Legislative Session.

Discussion Agenda

11. **Discuss and Consider Resolutions for the 2012 Texas Municipal League (TML) Conference, M&C # 08-09-12.** The City Council discussed whether it needs to consider submitting any legislation for consideration by the 2012 Texas Municipal League's Legislative Resolutions Committee. Following discussion, the City Council reached a consensus that it will not have any resolutions to be considered by TML. Councilman Reyna committed to finding out about extending the hotel/motel tax from 30 days to 60 days for persons wherein persons who lodge beyond 30 days no longer being required to pay the hotel/motel tax. City Attorney McKamie noted that key in the TML Legislative process is finding cities that will support the proposed legislation. Mr. Reyna indicated he has been provided the proposed legislation in a booklet form. He said he will see if he can get the book in an electronic format.

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12. City Manager's Report.

A. Informational updates, as may be required. City Manager Longoria briefed the City Council on three key business matters, the progress of developing specifications for bids on the Children's Wing Expansion, the Selection Review Committee and its process for developing and reviewing Municipal Facilities bids, and the RFQs received for the City's legal services contract.

Mr. Longoria reported that the final bid specifications for the Children's Wing Expansion at the Leon Valley Public Library are almost completed. The bids are due on August 31. He indicated the hope is that the bids will come in for the amount of funding on-hand. If not, consideration by City Council will need to be given for contributing additional funding from the Capital Reserve Fund or staff may do some value engineering. He reported that current funding on-hand is \$350,000. The hope is to break ground before the end of this calendar year and Fiscal Year 2013.

The selection review process is underway with the Selection Review Committee which consists of 2012 Bond Program Oversight Committee Members Olen Yarnell and Al Uvietta, the Fire and Police Chiefs, the City Manager, and the City's Purchasing Agent. Once the bids are taken through the review criteria, a short list will be developed by August 23. The short list will be reported to the 2012 Bond Program Oversight Committee meeting on August 30. Public component interviews and process will be used on September 12, September 27, and brought for City Council consideration and action on October 1. It was reported that the public interviews will be conducted on August 30, September 12, and September 27 at 7 p.m. in the City Council Chambers.

The Legal Services review process continues as the City Manager will send electronically formatted and searchable documentation to the City Council. Staff is seeking feedback regarding what the City Council would like to see in terms of services and qualifications.

B. Approved Minutes of City-Affiliated Boards, Committees, and Commissions.

The City Council reviewed the work of City-affiliated boards, committees, and commissions through approved meeting minutes.

- (1) Community Events Committee Approved Meeting Minutes of June 13, 2012.
- (2) Leon Valley Economic Development Corporation Board Approved Meeting Minutes of April 25, 2012, May 23, 2012, June 19, 2012, and June 27, 2012.

C. Future Agenda Items.

- (1) Municipal Facility Design Services Contract.
- (2) Fiscal Year 2013 Budget Workshops in August, 2012; specific dates to be announced.
- (3) Texas Department of Transportation Presentation on Super Street Model.
- (4) Fiscal Year 2013 Budget Public Hearing, Adoption, and FY2013 Tax Rate set on September 18, 2012.
- (5) City Council Awards City Attorney Contract.
- (6) Next Quarterly Special Joint Meeting with the Leon Valley Economic Development Corporation Board of Directors, September 18, 2012, 5:30 P.M.

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- 13. Citizens to be heard.** Olen Yarnell, 7230 Sulky Lane, addressed the City Council regarding the agenda item that dealt with the resolution seeking an indefinite suspension of the Street Maintenance Sales and Use Tax. Mr. Yarnell asked what the monetary amount the City might consider and obtain. An example of an estimate would be \$300,000 with \$100,000 dedicated to the required election and funding process, yielding \$200,000 for actual street reconstruction projects.

14. Announcements by the Mayor and Council Members.

Council Member / Mayor Pro Tem Hill invited those present to attend the meetings of the Commemoration Committee as well as the Commemoration activities planned for October 19-20, 2012.

Councilman Reyna indicated that he would be celebrating 56 years on his birthday.

Council Member Baldrige thanked the Public Works staff for the work done along the Bandera frontage in front of the Natural Area Park and the Historic Huebner-Onion Homestead. She reported that the Homestead has been illuminated and had a more pleasing fence installed in front of the Homestead, courtesy of the Leon Valley Historic Society.

Mayor Riley congratulated Economic Development Director Mora for the outstanding job done on the ground-breaking event for Raising Cane's new restaurant on Bandera Road.

Mayor Riley reported that the City Council had been invited to a special meeting with representatives from the City of San Antonio to be hosted by San Antonio Councilman Cris Medina on Wednesday, August 15 from 10:30 a.m. to 11:30 a.m. to discuss the Crystal Hills Park Memorandum of Understanding. Mayor Riley announced the meeting would be posted so that any member of the Leon Valley City Council who would like to attend the meeting could do so.

Mayor Riley concluded her remarks by announcing the Alamo Area Council of Governments Air Stewardship Award in which the City of Leon Valley was recognized for its earth-friendly and clean air practices earlier in 2012.

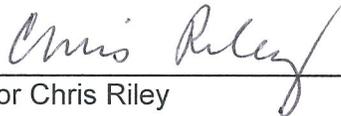
Executive Session

- 15.** The City Council of the City of Leon Valley reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.087 (economic development).

There was no Executive Session held under this agenda item.

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16. **Adjourn.** Mayor Riley adjourned the meeting without objection at 8:38 p.m.



Mayor Chris Riley

ATTEST:


Janie Willman, City Secretary

