

SPECIAL AND REGULAR CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS, AUGUST 4, 2009

The City Council of the City of Leon Valley, Texas, met on the 4th day of August 2009 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 CITY COUNCIL MEETING - 6:00 P.M.

Call to Order.

Mayor Riley called the Regular City Council Meeting to order at 6:02 p.m. and asked that the minutes reflect that the following members of Council were present: Garcia, Reyna, Baldrige, and Dean. She announced that Councilmember Nelson had an excused absence due to illness.

City Manager Lambert, City Secretary Feutz, City Accountant Wallace, Fire Chief Irwin, Police Chief Wallace, Public Works Director Vick, Community Development Director Flores, Economic Development Director Ryan, HR Officer/Asst. City Secretary Caldera, and City Attorney McKamie were also present.

Discussion on FY 2010 Budgets.

City Manager Lambert presented a budget overview for the FY 2010 proposed budgets for the City. He announced that the City's budget was based on the current tax rate of \$0.527400 continuing, but he explained that if Council wished to increase revenues, the City could adopt the effective tax rate for FY 2010, at a rate of \$0.538900, and additional revenue of \$74,000 would be gained. He explained that with the effective tax rate, the average home, valued at \$122,405, would see in an increase of \$12.24 in their ad valorem taxes this year. Mr. Lambert indicated that the changes recommended by Council during the last budget meeting are now included in the presented FY 2010 budget and include: \$20,000 for sidewalk work, purchase of a utility vehicle for \$8,000, \$20,000 of Library books, Fire Department purchases of \$12,000 for Air Paks and \$30,000 for a defibrillator, and \$200,000 for the Council contingencies.

City Secretary Feutz reported that the FY 2010 proposed budget included funding for workers' compensation and health insurances, but it appears that those premiums will cost less than what was included in the FY 2010 budget. She reported that with the assistance of the insurance broker, Mullen & Associates, and the bid process, the City could expect to save between \$88,000 and \$97,897 in health insurance premiums. She also reported that with no COLA, merit increases or longevity pay for employees included in the budget for FY 2010 and lower workers' compensation rates from TML-IRP this year, the City is expected to save approximately \$39,000. Ms. Feutz updated a previously reported chart on COLA's, merit pay increases, longevity, payroll adjustments, and other special pay increases being proposed in other local area cities.

City Manager Lambert reported that the City expected the dispatching contract with Helotes will end at the end of FY 2010. Council discussed options to give employees additional compensation or additional paid leave for FY 2010. They also discussed the challenges additional leave will pose to accommodate public safety employees who have limited opportunities to take their leave. Mayor Riley reminded everyone that staff will all get an additional day off in exchange for not having an employee Christmas party, like last year.

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Mayor and Councilmembers agreed that perhaps reconsidering a COLA increase for all employees rather than additional leave may be a better option in light of news of budget savings. Council discussion asked the City Manager to return with numbers for a COLA pay increase.

Kent Scherzinger, of Mullen and Associates, addressed Council explaining the selection criteria used for the bids received for the group health insurance. He explained that Blue Cross/Blue Shield, Humana, and Aetna submitted full health, dental and life insurance bids and Standard Life, United Concordia, Block Vision and Avesis all submitted limited bids for specific lines of insurance coverage. He noted that by bundling the health, dental and life insurances, additional discounts were given from the carriers. Mr. Scherzinger reviewed goals considered in recommending a particular plan: being cost neutral for employees, being cost neutral for the city, maintaining current benefit structure, enhancing benefit structure, providing wellness initiatives, and providing value-added services. The broker reviewed a basic and a high option medical plan from both Blue Cross/Blue Shield Insurance and from Humana Insurance that met those goals. Mr. Scherzinger explained that the AETNA bid with discounts was still an increase in premiums for the City. He explained that pre-existing conditions will be penalized under the Blue Cross plan, but not under the Humana plans. He reviewed the value-added services of both plans, to include the "White Glove" services under the Humana Plan that provides home visits for illnesses and wellness education provided by the plans. Mullen and Associates recommended the best value to be the Humana Insurance plans outlined in the presentation.

City Manager Lambert stated that he thought that the use of the broker had been very beneficial to the City.

No action or vote was taken on the workshop issues.

Adjourn.

A motion was made by Councilmember Dean, seconded by Councilmember Baldrige, to adjourn. Mayor Riley announced the meeting adjourned at 7:00 p.m. She also announced that the Regular Meeting would begin after a ten-minute break.

REGULAR CITY COUNCIL MEETING - 7:00 P.M.

Call to order and Pledge of Allegiance.

Mayor Riley called the Regular City Council Meeting to order at 7:10 p.m. and asked that the minutes reflect that the following members of Council were present: Garcia, Reyna, Baldrige, and Dean. She announced that Councilmember Nelson had an excused absence due to illness.

City Manager Lambert, City Secretary Feutz, Police Chief Wallace, Fire Chief Irwin, Public Works Director Vick, City Accountant Wallace, Community Development Director Flores, Economic Development Director Ryan, Library Director Trent, Assistant Public Works Director Stolz, HR Officer/Asst. City Secretary Caldera, and City Attorney McKamie were also present.

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Mayor Riley welcomed to the meeting members of Boy Scout Troop # 228 from Northwest United Methodist Church and announced that the Scouts were working on their Citizenship in the Community Badge. She asked members of the Troop to lead the assembled group in reciting the Pledge of Allegiance.

Citizens to be heard and time for objections to the Consent Agenda.

Mayor Riley asked Councilmembers if they wished for anything on the Consent Agenda to be removed for further discussion. Mayor Riley explained to the audience that Consent Agenda items were routine issues that Council considers. Hearing no requests, Mayor Riley then asked if anyone in the audience wished to address the Council

Lawrence Aguirre, 7171 Wurzbach Road, addressed Council about citations for parking violations and towing penalties charged recently in Leon Valley. He complained that he had requested copies of patrol vehicle videos of the event and was told that there was no video as the video machines were not working. He asked Council for assistance in resolving the municipal court citations. He also stated that he was charged a towing fee even though the vehicle was never hooked up to the towing vehicle. He also complained that the video recording cameras in the police vehicles were not working; therefore, he could not receive a videoed copy of the event.

City Manager Lambert asked Mr. Aguirre to talk to Chief Wallace regarding the towing policy. Mr. Lambert also stated that Mr. Aguirre will need to present his evidence to the Municipal Court Judge regarding the citations. Mr. Lambert reported that the Police Department has issued over 600 warnings and over 100 citations in the last month in response to complaints that citizens are having to walk out in the street to get around vehicles parked illegally over sidewalk areas.

Seeing no one else come forward for the "Citizens to be heard" portion of the meeting, Mayor Riley thanked everyone for their comments and asked for a motion to approve the following Consent Agenda items:

Consent Agenda

Consider approval of the minutes for the Special City Council Workshop Meeting of July 11, 2009, the Special City Council Workshop Meeting of July 17, 2009, and the Special and Regular Council Meetings of July 21, 2009 (Feutz).

Consider action to approve an Ordinance - a request to appoint a member to the Tree Advisory Board - Mike Clemenson and to appoint a member to the City Park Commission - Pat Dubois (Mayor Riley).

A motion was made by Councilman Reyna, seconded by Councilmember Dean, to approve the Consent Agenda items. Upon vote, Mayor Riley announced the motion carried.

Action Agenda

Consider action on M&C # 08-01-09 - a request from Commander Walter Geraghty, American Legion Post No. 336, to waive all fees for use of the Leon Valley Conference

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Center for a meeting on Patriot Day, September 11, 2009 (Mayor Riley).

Mayor Riley explained that she had received a letter from resident Walter Geraghty regarding support needed from the City for the Post's Patriot Day event.

American Legion Post No. 336 Commander Geraghty addressed Council stating that the Post started with only twelve members in September 2008 and now has 188 members. He introduced members of the Post present for the meeting: Bert Thomas, Al Uvietta, Spencer Spriestreibach, Robert Leos, Mike McCarley, Al Baldrige, and Thomas Boatman. Commander Geraghty explained that the U.S. Congress had formally recognized September 11th as Patriot Day and Post No. 336 was holding a Patriot Day at 6:00 p.m. on September 11, 2009 to remember the tragedy of September 11, 2001. In conjunction with the Patriot Day event, he announced that new members would be initiated and new officers would be installed. He asked Council to waive all fees that would be associated with using the Conference Center, as the Post had no place of their own and currently the Center is not rented. Commander Geraghty confirmed that no alcohol will be on the premises for this event.

City Attorney McKamie stated that the City cannot waive fees for a nonprofit organization, but constitutionally it could for something that was for a public purpose. Commander Geraghty asked if the public program or Patriot Day could be cosponsored with the City. The City Attorney stated that the Council could vote to cosponsor the activity and open the event to the public.

A motion was made by Councilman Reyna, seconded by Councilman Dean, to postpone a decision on this item to August 18, 2009 so that the City Attorney could draft the co-sponsorship document for this public event to be held on September 11, 2009 with the American Legion Post. Upon vote, Mayor Riley announced the motion carried.

Public Hearing to consider Continuous Specific Use Permit Case # 09-264 - with attached ordinance - a request by Loni Patterson, agent and applicant, to allow operation of the temporary use "shaved ice and food vending concession," at 5601 Bandera Road (HEB Marketplace), being Lot 11, Block 1, CB 4428H, Bandera Center Unit #5 Subdivision. On July 28, 2009, the Zoning Commission recommended approval of the request by a voice vote of 7-0. Flores)

A. Presentation and Public Hearing

Community Development Director Flores presented the particulars for this request for a continuous Specific Use Permit Case # 09-264 to allow operation of a temporary use specifically, "shaved ice and food vendor service," on the sidewalk at HEB Marketplace, in a B-3 zoned district. Ms. Flores presented information on the surrounding zoning and land uses and history of the property and commented that Council was being asked to consider two options for approval of the temporary use: 1) allow only a Specific Use Permit for six weeks and have the applicant reapply after the permits expire at a cost of \$300 each time to the applicant and a requirement for two public hearings with each renewal; or 2) allow a continuous Specific Use Permit which will allow "shaved ice and food vending concession" at 5601 Bandera Road, the HEB Marketplace, without an expiration date, unless the use is substantially changed or the use was not initiated within one year. Ms. Flores stated that a food license will be required for the concession services.

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Zoning Chairman Guerra reported that on July 28, 2009, the Zoning Commission recommended approval of the continuous Specific Use Permit # 09-264 by a vote of 7 to 0. Chairman Guerra explained that HEB's contract with the vendor regulates what the vendor can sell and HEB does a background check on vendors and requires the vendor to provide liability insurance coverage.

Ms. Flores reported that twelve letters were sent to surrounding property owners with one letter returned in favor of the requested permit and no letters returned in opposition to the case nor returned as undeliverable.

Applicant Patterson explained that the concession stand would only be open during HEB Marketplace operating hours.

Mayor Riley opened the Public Hearing at 7:36 p.m. and invited anyone in the audience to address Council on the subject.

Boy Scout Christopher Fanick addressed Council stating that there is another shaved ice stand located at a nearby HEB on Grissom Road.

Hearing no one else, Mayor Riley closed the public hearing at 7:39 p.m.

B. Council Considers action on Continuous Specific Use Permit Case # 09-264.

A motion was made by Councilmember Dean, seconded by Councilmember Baldrige, to approve the continuous Specific Use Permit # 09-264 as presented. Upon vote, Mayor Riley announced the motion carried.

Consider action on M&C # 08-02-09 - a request to award bid for the employee group health insurance program following a presentation from City's insurance agent of record (Mullen and Associates).

Mayor Riley reported that Council had heard much of the information regarding health plan options from the Broker during the budget workshop held earlier in the evening at their Special City Council Workshop, but Council did not vote on the item during the workshop.

Councilmember Dean reported that the Employee Benefits Committee had not reviewed the plans proposed by the broker, nor had the employees had a chance to express their opinions on the choice of plans. He reported that he had spoken to some of the employees during the break between the workshop and the regular meeting and that not all the employees are happy with one or the other plan. Councilmember Dean asked that the committee be given a chance to look over the options and recommended that Council table any decision until later; Councilmember Baldrige agreed with the idea.

Council discussed giving the employees an opportunity to hear about the insurance plan options and to vote on their choice of insurance plans for the City. Broker Scherzinger reviewed the differences of the two plans and agreed that Mullen and Associates would make presentations for employees to learn about the proposed plans so that the employees can express their choices for Council.

A motion was made by Councilmember Dean, seconded by Councilmember Baldrige to

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postpone further action on the issue until the next City Council meeting of August 18, 2009 to allow employees to give input on their choice of group health insurance plans. Upon vote, Mayor Riley announced the motion carried.

It was agreed that the employees would be given the opportunity to vote their choice of the top plans presented to Council and they would be given the chance to hear from the Broker about the plans presented to Council.

Consider action on M&C # 07-07-09 with attached Resolution - a request to approve the Leon Valley Economic Development Corporations' newly established Bylaws and amendments to the Articles of Incorporation. This item was postponed from the July 21, 2009 Regular City Council meeting (Davis/Ryan).

Economic Development Director Ryan announced that the Leon Valley Economic Development Corporation (LVEDC) President would be unable to attend the meeting due to illness, so she would present information for the LVEDC. She provided a brief history of the articles of incorporation and bylaws that were first reviewed by City Council in March 2009 and which were approved by the LVEDC Board of Directors on June 17, 2009. Ms. Ryan presented information on changes recommended in the Bylaws and the Articles of Incorporation submitted by the LVEDC.

Following the presentation, Councilman Reyna reported that after discussion with Economic Development specialist Joe Newman, he learned that you do not have to tie funding to a specific project but practically speaking you usually would. He explained his continued concerns for the requirements for Council to approve every LVEDC project over \$10,000 but not the obligations.

Councilman Reyna asked that Council consider some changes to proposed Bylaws - specifically for Section 4.6 on page 6 or 7 in the Bylaws be deleted. He also asked that the sentence in the Articles of Amendment to the Articles of Incorporation on page 3 of 6 that starts "The Corporation is authorized to issue bonds as permitted by the Act" end with that statement thus deleting "provided, however, no bonds may be issued by the Corporation and no project may be financed with bond proceeds of the Corporation unless such bonds are first approved by the Council."

City Attorney McKamie stated that Council could amend the Articles of Incorporation, but Council cannot adopt the Bylaws until after the Leon Valley Economic Development Corporation Board approves any changes now recommended by Council.

Following discussion, a motion was made by Councilman Reyna, seconded by Councilman Garcia, to approve the presented Articles of Amendment to the Articles of Incorporation with the following change to the sentence in the Articles of Amendment to the Articles of Incorporation on page 3 of 6 that starts "The Corporation is authorized to issue bonds as permitted by the Act" end with that statement thus deleting "provided, however, no bonds may be issued by the Corporation and no project may be financed with bond proceeds of the Corporation unless such bonds are first approved by the Council." Upon vote, Mayor Riley announced the motion carried.

Following discussion, a motion was made by Councilman Reyna, seconded by Councilmember

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Dean, to approve changes to the Bylaws presented by deleting the entire Section 4.6 "Issuance of Obligations. No Obligations including refunding obligations shall be authorized or sold and delivered by the Corporation unless the Council approves such Obligations by action taken prior to the date of initial delivery of the Obligations to the initial purchasers thereof." and for these changes to be sent to the LVEDC for their approval. Upon vote, Mayor Riley announced the motion carried.

Consider action on M&C # 07-09-09 with attached ordinance - a request to authorize the City Manager to enter into a service agreement between the City of Leon Valley and the Leon Valley Economic Development Corporation (Davis/Ryan) This item was postponed from the July 21, 2009 Regular City Council meeting.

Economic Development Director Ryan addressed Council explaining that the Leon Valley Economic Development Corporation needed support services from the City contained in the proposed service agreement and which will be included in the LVEDC's FY 2010 budget. Following discussion, it was recommended that a 30-day out clause be added to the service agreement that will allow either party to terminate the contract with 30 days notice.

A motion was made by Councilman Reyna, seconded by Councilmember Baldrige to approve the proposed service agreement with the addition of a termination clause that will allow either party to end the service agreement with 30 days notice. Upon vote, Mayor Riley announced the motion carried.

Consider action on M&C # 08-03-09 - a request to approve Leon Valley Economic Development Corporation's 2010 budget (Davis/Ryan) This item was postponed from the July 21, 2009 Regular City Council meeting

Economic Development Director Rose addressed Council presenting a report of expected revenues and expenditures for FY 2010. She estimated expenditures to be \$165,300, which included \$124,000 for Economic Development Corporation project funding. She stated that she is planning to have \$18,600 to roll over to FY 2011.

Following brief discussion, a motion was made by Councilmember Dean, seconded by Councilmember Baldrige, to approve the proposed FY 2010 Leon Valley Economic Development Corporation budget. Upon vote, Mayor Riley announced the motion carried.

Councilman Garcia commended the LVEDC Board and staff for the hard work in developing the budget, service agreement, and bylaws.

Consider action on M&C # 08-04-09 - a request by Bexar County Elections Officials to hold elections at Leon Valley City Hall on Tuesday, November 3, 2009. This event would conflict with the normal time and place of the November 3, 2009 regular City Council meeting, but would allow voters who usually use City Hall as an election day precinct to have continuity in polling places (Feutz).

City Secretary Feutz reported that a request was received from the Bexar County Elections Administrator asking to use the Leon Valley City Hall Council Chambers for a polling place for Precincts 2061 and 2143 for the November 3, 2009 Election Day. She explained that these two precincts usually vote at City Hall on election day, and even though Leon Valley was not holding

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an election on November 3, 2009, Leon Valley voters are eligible to vote on the state constitution ballot items scheduled for this election. Ms. Feutz explained that the request was in line with the Help America Vote Act which encourages consistency of good voting practices. She reminded Council that November 3, 2009 is also a Regular City Council Meeting date and the election hours would conflict with the usual 7:00 p.m. meeting time.

A motion was made by Councilman Garcia, seconded by Councilmember Dean, to approve the request by Bexar County Elections Officials to use the Council Chambers for voting on November 3, 2009. Upon vote, Mayor Riley announced the motion carried.

Consider action on M&C # 08-05-09 - a request to consider moving dates/places of regular City Council meetings for October 2009 and November 2009 due to events in conflict with those meeting dates (Oct. 6 - National Night Out in Texas, Oct. 20 - TML Annual Conference in Ft. Worth, and Nov. 3 - Election Day) (Feutz).

City Secretary Feutz reported conflicts on the calendar for holding Regular City Council meetings scheduled for October 6, 2009, October 20, 2009, and November 3, 2009.

Following Council discussion, a motion was by Councilman Reyna, seconded by Councilmember Dean, to move the October 6, 2009 Regular City Council Meeting to Monday, October 5, 2009, to move the November 3, 2009 Regular City Council Meeting to Monday, November 2, 2009, and to cancel the October 20, 2009 Regular City Council Meeting. Upon vote, Mayor Riley announced that the motion carried. Mayor Riley also announced that if an additional meeting is needed, a Special City Council Meeting could be called.

City Manager's report (Lambert).

A. Monthly Reports - June 2009.

Mr. Lambert announced that the second meeting of each month Council would receive monthly reports in their packets from each department. He stated that he would provide a summary of highlights of those reports and answer Council's questions on the reports. He noted that this item was scheduled from a previous Council meeting and was postponed. He reported that 950 traffic citations were issued in June 2009 and 79 EMS calls were answered in June.

B. Report on MPO Transportation Policy Board Meeting.

The City Manager reported on highlights of the July 27, 2009 MPO Transportation Policy Board meeting, which he attended in the Mayor's absence. He reported that the MPO's 20-year Master Regional Transportation Plan is very important, and stated that if a project is not included in that 20-year plan, there will be no funding for that project.

C. Report on TML Annual Conference - Oct. 20 - 23, 2009 in Fort Worth - housing needs.

Mr. Lambert announced that the Annual TML Conference would be held in Fort Worth this year and the opening date for housing reservations was the next week. Councilmembers Garcia and Reyna expressed an interest in attending. City Secretary Feutz will coordinate Council's reservations and registration requests.

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D. Report on “Customer First” training scheduled for employees.

Mr. Lambert reported that employees who had not received this customer service training would be having training, along with the dispatchers, later in the month. He invited Council to attend and reported that the instructor, Tony Bosmans, gives a very good presentation.

Citizens to be heard.

No one came forward to speak.

Announcements by Councilmembers and Mayor.

A. Report on need for additional volunteers.

Mayor Riley asked Councilmembers if they had any volunteers in mind for future appointments. City Manager Lambert announced a vacancy on the TML Small Cities Advisory Council for Region 7. Councilman Reyna announced that he had volunteered to run for TML Region 7 President. Staff was asked to provide information for Council on the Small Cities Advisory Council program.

B. Report on meetings with EPA and with CAG on July 23, 2009.

Mayor Riley reported that the recent quarterly testing of water yielded a small amount of contaminants and that she requested additional testing of wells. Councilman Garcia reported on recent CAG and EPA meetings and he reported that the experts feel that because a different lab was used for the most recent water testing, the most recent water tests detected less than 1 ppb which is considered to be a very minute level of contaminants.

C. Comments from Mayor’s trip (Mayor Riley).

Mayor Riley reported on her recent trip to Colorado with its cooler weather and evidence of good planning practices.

D. Report on TML Region 7 Dinner/Meeting - September 16, 2009 - Live Oak

Mayor Riley reported that the City had received a brief note that Windcrest would host the next TML Region 7 meeting on Sept. 16, 2009.

Adjourn.

Hearing no further business or discussion, a motion was made by Councilmember Baldrige, seconded by Councilmember Dean, to adjourn the meeting. Mayor Riley announced the meeting adjourned at 9:00 p.m.

Mayor Chris Riley

Marie Feutz, City Secretary

Approved by unanimous vote of City Council at the Regular City Council Meeting of August 18, 2009.