

**CITY COUNCIL MEETING OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
TEXAS, MAY 4, 2010**

The City Council of the City of Leon Valley, Texas, met on the 4th day of May 2010 at 7:00 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:

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 7:01 p.m. and asked that the minutes reflect that all the members of City Council were present: Garcia, Reyna, Dean, Baldrige, Dean, and Nelson.

City Manager Lambert, City Secretary Feutz, Fire Chief Irwin, Assistant Public Works Director Stolz, Grant Writer Word, Economic Development Director Ryan, Intern R. Milan, Intern M. Sindon, and Assistant City Attorney Onion were also present.

Mayor Riley welcomed visiting Boy Scouts Alex Ferrill from Troop 17 at St. Brigid's, and Star Scout Sean Dockery from Troop 814, both of whom are working on Citizenship badges. Mayor Riley asked the Scouts to lead the assembled group in reciting the Pledge of Allegiance.

Mayor Riley announced that Agenda Item # 12 would not be considered at this meeting. There were no objections.

Presentation of a Certificate of Recognition to the School of Science and Technology Discovery recognizing their winning performance at the 2010 G.E.A.R. (Getting Excited About Robotics) competition and in the Texas Statewide Science Fair and International ISWEEP Science Fair (Mayor Riley).

Mayor Riley presented a Certificate of Recognition to the School of Science and Technology (SST) Discovery in recognition of the successes of students, coaches, and staff of the school in the largest all-American robotics competition for children "G.E.A.R. 2010 Competition and for the first place award in the Texas Statewide Science Fair and the third place award in the International ISWEEP Science Fair. School Principal Mehmet Bayar accepted the certificate and introduced students who participated in the robotics competition: Esat Bayar, James Garlow, Celeste Torres, Randall Scharmen, Xavier Menjares, Peter Mauldin, Madeline Carrola, Armin Nasri, Gaji Mahamud, and Charles Lowe. He also introduced Lindsay Hendricks and announced her as the winner in the Statewide Science Fair and in the International ISWEEP Science Fair competitions.

Principal Mehmet Bayar thanked the Mayor and Council for their support and he asked the students to try their best next year for even higher awards. He also recognized and thanked the robotics teams' coach, Maksatbek Arykchief, and also thanked the parents of the students for their support.

Presentation of Certificates of Appreciation to Interns Michael Sindon and Rey Milan (Mayor Riley).

Mayor Riley presented a Certificate of Appreciation to Michael S. Sindon, a candidate for a Master's Degree in Public Administration from U.T.S.A.'s College of Public Policy. She thanked

Mr. Sindon on behalf of the City Council for his volunteer intern service with over 300 hours of work for the Leon Valley Economic Development Department. Mr. Sindon thanked the Mayor, Council, the City Manager, and Economic Development Director Ryan for allowing him the opportunity to be an intern at Leon Valley. Mayor Riley also read a resolution sent from State Representative Joaquin Castro to be delivered for Mr. Sindon congratulating him on his success and his graduation from the Master's program.

Mayor Riley also presented a Certificate of Appreciation to Rey Milan, another Master's Degree candidate from U.T.S.A.'s College of Public Policy. She thanked Mr. Milan for volunteering over 300 hours in assessing IT needs and solutions for the City Council Chambers and for the City's communication systems. Mr. Milan thanked the Mayor, Council and the City Manager for the opportunity to complete an internship at Leon Valley. Mayor Riley also read aloud a resolution sent from State Representative Joaquin Castro for Mr. Milan that congratulated him for his success and his graduation from the Master's program.

Proclamation declaring the week of May 16 - 22, 2010 as "National Public Works Week" in Leon Valley (Mayor Riley).

Mayor Riley proclaimed the week of May 16 - 22, 2010 as National Public Works Week in Leon Valley and urged Leon Valley citizens to recognize the contributions which public works officials make every day. The proclamation was presented to Assistant Director of Public Works Stolz who thanked the Mayor and Council for their support.

Presentation of Annual Report by the Historical Society of Leon Valley (HSLV President D. Riley).

Historical Society of Leon Valley (HSLV) President Darby Riley reported the fifth Annual Report on the Leon Valley Huebner-Onion Natural Area, property leased from the City by the Historical Society. He reported on the marked increase in citizen use of the trails in the natural area and scout troop visits and their cooperation in being part of the 6-mile Volksmarch. He thanked resident Mike McDonald for keeping the trails mowed. Mr. Riley also reported on the cleanup of pig pens in the area, and removal of extensive ranch wire and the assistance of resident Al Uvietta in adding stepping stones at two water crossings. He reported the exposure of black plastic installed by SAWS in Huebner Creek and stated that they will work with SAWS to remove the plastic and to improve the degraded Huebner Creek area. He informed Council of the 2010-2011 planned activities including: work on the Joseph Huebner gravesite, improvements planned to protect small trees from deers, continuing scout troop tours and programs for children, the development of a plan for preservation and enhancement of the forest with the help of forestry experts, and their plans to develop a plan for the "racing pigeon houses" near Bandera Road frontage. He stated that the Society wants to work with U.T.S.A. and the South Texas Archeological Association to identify Native American artifacts on the property and to also work to identify native species of plants and animals.

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. Hearing no objections to the Consent Agenda, Mayor Riley asked if anyone in the audience wished to speak for the "Citizens to the Heard" portion of the meeting.

Resident Al Baldrige addressed Council showing a letter that he received in the mail that he indicated was a political advertisement. He expressed his objections that the envelope's return address read "City Council" from the City of Leon Valley and he asked if the City Attorney would

check into the legality of sending such a letter that gave the appearance of being from the Leon Valley City Council. He disputed information in the letter regarding 150 businesses having left the city, and he reported that after checking with sales tax reports from the State Comptroller all the way back to 2002, there is no quarterly report reflecting a loss of 150 businesses, that business totals were between 500-550 except for one month. He complimented the Council and the Mayor and the Economic Development Director for their work to increase sales tax revenue and making economic development a priority for Leon Valley.

Resident and business owner Walter Geraghty asked Council to address the excessive proliferation of signs in Leon Valley and the high weeds in the median and along the road. He expressed his concerns that the visual noise along Bandera Road will not help Leon Valley attract new businesses. He asked Council to consider addressing limiting the number of signs allowed on any business property to help improve the appearance of Leon Valley. The City Manager explained that the less-strict temporary weekend sign code rules were a compromise between business owners and the sign committee to allow temporary signs to go up on Friday morning and remain up until Monday at noon. Mr. Lambert also reported that TxDOT will only mow the right of way three times per year due to budget cuts. Mr. Lambert told Council that staff will bring back the code addressing temporary signs for them to review at the next Council meeting.

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

Consent Agenda

Consider action to approve minutes of the Special City Council Workshop Meeting of April 17, 2010, the Special and Regular City Council Meetings of April 20, 2010, and the Special City Council Meeting of April 26, 2010 (Feutz).

Consider action on M&C # 05-01-10 with attached ordinance - a request to approve the purchase of audio-visual equipment improvements for the City Council Chambers and to approve the associated budget adjustment funding from the General Fund Reserves(Milan/Lambert).

Consider action on M&C # 05-02-10 - a request to authorize the City Manager to enter into contract for Leon Valley Redevelopment Master Plan - Phase II - Town Center and Greenbelt Corridor with Halff Associates and to approve funding for the expenditure from the budgeted funds for economic development in the amount of \$54,500 (Lambert).

Consider action on M&C # 05-03-10 with attached resolution - a request to authorize the City Manager to establish accounts or memberships at banks or State or Federal Credit Unions as authorized in the City of Leon Valley Investment Policy for the sole purpose of purchasing certificates of deposit (Lambert).

A motion was made by Councilman Reyna, seconded by Councilmember Baldrige, to approve the Consent Agenda items as listed above. Upon unanimous vote, Mayor Riley announced the motion carried and all listed Consent Agenda items were approved.

Action Agenda

Consider action on M&C # 05-04-10 with attached ordinance - a request to authorize the City Manager to enter into an agreement with the State Energy Conservation Office

(SECO) for a loan in the amount of \$114,220 for energy conservation projects in city facilities to be completed by December 31, 2011 and for the loan to be repaid in ten years and a request to approve the associated budget adjustments for project expenditures (Grant Writer Word).

Grant Writer Word addressed Council explaining that the State Energy Conservation Office (SECO) accepted the City's application for loan funding assistance under the American Recovery and Reinvestment Act of 2009 for building retrofit and energy efficiency projects. She reported that Leon Valley was approved for loan funding in the amount of \$114,220 to be paid back over ten years at a 2% interest rate. She reported on the energy saving measures that will be funded with the grant for building retrofit activities at City Hall, Public Works, Library and at the Conference Center. Ms. Word explained that the loan pay back is based upon projected energy savings. She asked for a budget adjustment to cover the costs of the Engineering Audit and beginning projects in the amount of \$25,000. She reported that the loan is a reimbursement loan and she expected the monthly loan payments to be \$1051 per month. She informed Council that the estimated payback would be in energy savings of \$11,000 annually with payback to begin upon the completion of the project in December 2011.

City Manager Lambert also reported that the City also had a grant in the amount of \$57,000 for other energy efficiency improvements. Ms. Word reported that similar work was included in this grant as was in the loan application. She explained that replacement of high efficiency heating and air conditioning system has a 13-year payback and could not be used in this application. She stated that the grant funding could free up city funding to pay outright for the new HVAC system for the community center and the library such as a geo-thermal system.

The Economic Development Director reported that the City Engineer Sayyadi was completing a weatherization survey in preparation for solar panels at the Community Center.

Following discussion, a motion was made by Councilmember Baldrige, seconded by Councilman Reyna, to approve the requests under M&C # 05-04-10. Upon unanimous vote, Mayor Riley announced the motion carried and the request was approved.

Consider action on M&C # 05-05-10 - a request by the Alamo Area Council of the Boy Scouts of America to use the Community Center on May 12, 2010 and to waive certain use fees.

This item was not considered by Council.

Discussion Agenda

Discussion on plan to upgrade city facility phone service and equipment (Milan/Lambert).

Intern Milan reported to Council on options for them to consider to upgrade the current telephone system from its current POTS system and outdated technology. He explained that the current monthly land line service cost is \$3,500 per month and he estimated that switching to a network-based solution could save almost 35% in billing and would improve the City's telecommunications.

Mr. Milan reported that informal proposals were taken, but several proposals indicated the project will cost more than \$50,00 which will require a formal bid process by law. He described his three-step goals for his proposals: to reduce costs by shaving out unnecessary expenses; to get independent quotes from equipment vendors, and to get service providers and network engineers/ architects; and develop a clear, concise and unambiguous formal request proposal for

a turnkey solution.

He reported that his proposals looked at the cost of internal infrastructure to enable the service providers to 'talk' or bridge the communications between the city buildings and the service line (such as AT &T), the cost of the service provider and their independent cost of setup, and the cost of equipment. He stated that after the infrastructure and equipment upgrades that he estimated to upgrade the infrastructure of City Hall buildings to accept the new technology to be \$10,000 - \$30,000 per facility and reported on proposed new annual service costs to be between \$24,000 - \$90,000 versus the current \$42,000 (\$3,500/month) service cost. Mr. Milan stated that he estimated from the analysis of the proposals received that it would cost the City between \$20,000 - \$120,000 for the upgraded communications systems for the City facilities, excluding the monthly/annual service costs.

In answer to questions from Council, he clarified that the cities of New Braunfels and San Antonio have the upgraded fiber systems. He also answered the question about the very top of the line system to connect the Library to the City Hall Complex to be about \$100,000 if the city facilities have proper infrastructure and could get the right-of-ways.

City Manager Lambert reported that if the City went to the VOIP (voice over internet protocol) with a \$2,000 month service cost versus our current \$3,500 monthly phone service bill, the City could possibly save \$500/month and with that savings, the City could pay off the \$50,000 cost for the low end of the newer systems. He stated that when the City approves expansion and/or remodel of the Fire and Police and City Hall complex, he felt that would be a better time to consider upgrading the communications system within any bond program.

Councilman Reyna asked if the new service, equipment and system would then allow a live person to answer the phone when someone calls City Hall. Mr. Milan stated that if customer service was the goal, the city would probably still need additional manpower. He added that it would be better to include upgraded communications systems from the current copper wire systems when there is any major building renovation or expansion.

Discussion followed on WiFi, other improvements that could be less costly to improve communications technology, and grant availability for broadband infrastructure. No action was taken.

Discussion on Helotes Dispatch Services Contract (Police Chief R. Wallace).

Chief Wallace reviewed for Council the history of recent contracts with the City of Helotes for Leon Valley to provide their 911 Emergency Dispatch services. The Chief informed Council that the City of Helotes is building their own 911 Emergency Center and has asked Leon Valley for a month-to-month contract rather than renewing for another full year term contract. The Chief stated that Helotes expects to have their 911 Center open in September 2010, but in case of construction delays, they have asked to continue with the revised contract terms with essentially unchanged monthly fees to be paid to Leon Valley (\$ 5,510 per month), and the inclusion of a 60-day out clause. He also explained that the revised contract is being reviewed by the City of Helotes.

Chief Wallace also informed Council that Bexar County 911 has notified his office that the emergency notification system that can target specific areas to send out emergency notifications and which had only accessible by San Antonio and Bexar County, will be opened up to the smaller cities and he will be bringing an agreement for Council for their approval soon.

Discussion on a Resolution to approve a City Tax Abatement Policy (Lambert)

City Manager Lambert reminded Council that during their workshop, Councilmembers had asked for a tax abatement policy to provide another tool in the city's economic development tool box. He informed Council that he had reviewed several samples of tax abatement policies from other cities and asked Council to consider two particular issues during the discussion on tax abatement policies: do they wish to consider tax abatements on new housing and do they want a formula for projects that cost over \$1,000,000. He stated that most cities do not give tax abatements for housing.

Mr. Lambert explained that Chapter 312 of the Texas Tax Code allows local governments to use property tax abatements to attract new enterprise by giving a full or partial exemption from ad valorem taxes for certain properties. He noted that over 400 Texas cities have already adopted such policies since 1981. He also noted that school districts cannot use these tax abatements. He stated that the City would ask the County to participate in any tax abatements with the City.

The City Manager presented a sample of guidelines and criteria that the City could consider and reviewed the steps necessary for the City to begin the process for adopting guidelines and criteria for granting commercial and residential tax abatements. He explained that applications from projects would be submitted and after a review, Council would consider whether to approve the application for tax abatement and begin creating a Reinvestment Zone and drafting a Tax Abatement Agreement. Mr. Lambert further explained that Council would then consider an Ordinance, after a public hearing, to create a Reinvestment Zone and a resolution to authorize the tax abatement agreement.

The City Manager noted that the Reinvestment Zone expects that the projects proposed for tax abatement will have an increased appraised ad valorem tax value of at least \$100,000 upon completion. He stated that Council has full discretion to deny entirely or grant a level of abatement that they deem appropriate within guidelines. He noted that the agreement will be in force for two years and reviewed the details of the tax abatement process and possible agreements.

Discussion followed briefly about other economic development tools that could be considered but Mr. Lambert explained that the Ad Valorem Tax Abatement requires Council to adopt guidelines and criteria before considering any requests. He informed Council that the proposed agreement is modeled after another Texas city's existing abatement guidelines. Mr. Lambert agreed to find answers to questions by Council and return with the agreement for Council consideration at the next meeting.

Discussion to consider future action that would ban texting while driving in the City of Leon Valley (Mayor Riley).

Mayor Riley explained that at a recent Metropolitan Planning Organization meeting, the Transportation Policy Board considered adding more bicycle lanes for bicyclists, but bicyclists came forward and said that they appreciated the additional bike lanes but explained that they needed a ban on texting while driving to reduce driver distractions and protect bicyclists. She reported that the city shortly afterward received a letter from State Representative Joe Pickett asking municipalities to submit their wish list on transportation needs in anticipation of the 82nd Legislative Session coming up in 2011.

Mayor Riley asked City Attorney Onion to provide legal information on laws in Texas which ban text messaging while driving and he passed out copies of the City of Austin's policy that bans texting. He explained the challenges of enforcing and the statewide effort to reduce driving distractions. Mr. Onion reports on the cities in Texas who have passed laws to reduce driver

distractions and of his belief that there will be statewide efforts to come that will address handheld communication devices.

Councilmembers expressed their concerns for how officers could tell if drivers were texting or telephoning, the degree of compliance if a new law to ban texting was enacted, and the need and cost for signage in the City to notify drivers who may not realize that they have entered Leon Valley from San Antonio. Councilmember Baldrige recommended that texting while driving be discouraged and that we get the word out to Leon Valley residents.

Councilman Reyna recommended that instead of focusing on the phone/text issues in response to Representative Pickett's letter, the City consider putting forth Bandera Road improvements and other transportation issues for legislature's consideration.

Councilman Garcia questioned how many people were in accidents due to texting while driving. Chief Wallace stated that none admitted they were using their phone when they had an accident. The Councilman suggested that other distractions for drivers such as eating, adjusting their radios, or picking up something were just as likely to be the cause of the distraction that could cause an accident. He also expressed his concerns about limiting another freedom with additional activities banned while driving.

Resident Al Uvietta addressed Council relaying two dangerous incidents recently he encountered that he attributed to drivers' texting while driving. He encouraged Council to consider action on the matter.

City Manager's report.

Mr. Lambert reported on compliments the City received for police and fire department first responders for their professionalism during an accident.

Mr. Lambert also informed Council that he would return with a resolution for Council to consider with transportation funding recommendations to forward to Representative Pickett which might include: bus rapid transit, extra lanes for mass transportation, Bandera Road beautification, restriping of Bandera Road from Loop 410 - Loop 1604, increasing lanes on Bandera Road north of Leon Valley at Guilbeau Road, and other non-toll measures to reduce congestion on Bandera Road. He also recommended that the City encourage the legislature to consider sales tax on auto sales and sales tax for internet sales. Council recommended that the city seek added support from City of San Antonio Councilmembers for legislative action for Bandera Road improvements. Council also recommended that the list of recommendations be prioritized and that our planners be consulted for input on the list.

A. Update on Overlay District Zoning Options

City Manager Lambert reported that Halff Associates has prepared seven options to address possible changes for the overlay district uses to address a use " enclosed tunnel car wash." He stated that the Zoning Commission will consider the options and their recommendations will be brought to City Council at the next meeting to consider any zoning code changes.

B. Update on Xeriscape/Beautification Award Program - nomination due May 21st

City Manager Lambert reminded everyone of the award program and encouraged everyone to consider nominating someone for the program.

Citizens to be heard.

David Purdy, representative from Blackbox Network Services, suggested Council may consider hearing presentations from other vendors of alternative systems for voice over internet protocol (VOIP) systems. He stated that he would like to give a presentation on VOIP hosted solutions that involves leasing and could be less costly.

Announcements by Councilmembers and Mayor.

Councilman Garcia reported that he has been following the meetings for the Airport Vision 2050 plan for San Antonio's airport. He stated that publicity will be coming out for a public meeting in late May to help with this project.

Mayor Riley reported that she accompanied the Leon Valley Fire Department for the Cornyval Parade in Helotes. She thanked Chief Irwin and reported that Chief Irwin's Fire Pup was a big hit!

A. Report on Rainwater Catchment Program

Mayor Riley reported that Valerie Siat from the Public Works Department could give details on the program and added that 30 persons attended the informational program. She encouraged everyone to consider capturing rainwater runoff from their roofs to be used for landscape irrigation. Councilmember Nelson reported that rainwater catchment vessel need to screen out UV rays and can be painted or bought with the UV protection already in place.

B. Report on Historical Society's Ice Cream Social

Councilmember Baldrige reported that the event was a big success with an excellent program and with more displays and demonstrations than in the past. She encouraged everyone to consider attending next year! Councilmember Dean and Nelson reported on compliments they heard at the event from visitors from outside of Leon Valley on this second annual event for the Historical Society.

C. May 8, 2010 - Election Day and Trade & Market Day

Economic Development Director Ryan reminded everyone of the Trade and Market Day to be held on Saturday, May 8th and reported that about 70 vendors were signed up already. City Secretary Feutz reminded everyone that Saturday was also Election Day and encouraged everyone to vote. She informed Council

Convene into executive session in accordance with the Texas Government Code, Section 551.072 "Deliberations about Real Property" to discuss land acquisition options.

Mayor Riley announced that the Council would convene into executive session in accordance with the Texas Government Code, Section 551.072 "Deliberations about real property" to discuss land acquisition options at 9:29 p.m.

Reconvene into open session and consider discussion and any actions as appropriate from executive session regarding "Deliberations about Real Property".

Mayor Riley reconvened the Council into open session at 10:12 p.m. and she announced that no action would be taken.

Adjourn.

Mayor Riley asked that this meeting, when adjourned, be dedicated to the memory of Jeffery Sarfin, the son of residents Rich and Diana Sarfin.

Hearing no further business, a motion was made by Councilman Dean, seconded by Councilmember Nelson, to adjourn the meeting. Mayor Riley announced the meeting adjourned at 10:14 p.m.

Chris Riley
Mayor

ATTEST:

Marie Feutz
City Secretary

Approved by unanimous vote of City Council at the Regular City Council Meeting of May 18, 2010.