

MINUTES
SPECIAL CALLED CITY COUNCIL MEETING
CITY COUNCIL RETREAT
CITY COUNCIL CHAMBERS
124 Old San Antonio Road
Boerne, TX 78006
June 13, 2017 – 12:45 p.m.

Minutes of the Special Called City Council meeting of June 13, 2017 at 12:45 p.m.

Present: 6 - Mayor Michael Schultz, Council Member Joe Anzollitto, Mayor Pro Tem Nina Woolard, Council Member Charlie Boyd IV, Council Member Ron Cisneros, and Council Member Craig Colvin

Staff Present: Ron Bowman, Siria Arreola, Paul Barwick, Pam Bransford, Lori Carroll, Kirsten Cohoon, Jim Kohler, Mike Mann, Sandy Mattick, Doug Meckel, Natalie Morgan, Mike Raute, Angie Rios, Laura Talley, Jeanette Teague, Jeff Thompson, Chris Turk, Larry Woods, Linda Zartler, and Danny Zincke.

Recognized / Registered Guests: Misty Mayo and Emily Weiner

1. CALL TO ORDER – 12:45 PM

Mayor Schultz called the City Council meeting to order at 12:45 p.m.

Mayor Schultz asked for a Moment of Silence and led the Pledge of Allegiance to the United States Flag and to the Texas Flag.

2. Discussion on the new City Hall Project

- A. Current Status
- B. Next Steps Including Potential Special Election

Mayor Schultz called on Ms. Linda Zartler, Assistant City Manager. Ms. Zartler reminded the City Council of the petition that was received which stopped the issuance of the Certificates of Obligation for the proposed

new City Hall project. Because of the petition, in order to issue Certificates of Obligations, an election must be held. The next uniform election date is November 7, 2017. For the November election, the City Council must call for election in August. Due to the election calendar, a Special Called meeting would need to take place on August 15, 2017 to call for the election. The City's Bond Counsel Jeff Kuhn will write the language for the ballot. Because of the petition, stop work orders were issued and everything was put on hold. Mayor Schultz is establishing a City Hall Advisory Committee to affirm the size, cost, and space needs. The findings from the Committee are to be presented to the City Council on July 25, 2017. A District 2 Town Hall is scheduled for June 19, 2017. Invitees to the town hall meeting are those who signed the petition. Mr. Ron Bowman, City Manager stated the petition has caused at least a seven month delay in construction as well as an increase in cost. The proposed building will be a 75 to 100 year building, doing it right the first time. Discussion ensued regarding the project funding and breakout costs, the City Hall Advisory Committee's charge, amount paid to-date on the project, ballot wording, and the current contracts. Mr. Bowman mentioned the cost for the County Law Enforcement Center currently under construction. Mayor Schultz stated that steel has gone up 33%.

3. Discussion on Potential Debt Financing
- A. Certificate of Obligations
 - B. Revenue Bonds
 - C. General Obligation Bonds
 - D. Tax Notes
 - E. City Street Projects
 - SoBo
 - Cascade Caverns Road
 - Scenic Loop

Mayor Schultz called on Ms. Sandy Mattick, Finance Director. Ms. Mattick presented a spreadsheet providing an overview of various types of financial tools available to the City along with their purpose, typical timeframe for use, and pros and cons. Discussion ensued regarding using Utility System Revenue Bonds for the City Hall project, interest rate and costs difference between the funding vehicles, using utility funding for a portion of the City Hall project, using an alternate funding

source for the City Hall project, communication and engagement issues with our citizens.

Mayor Schultz called on Mr. Jeff Thompson, Deputy City Manager to discuss potential debt financing for city street projects. Mr. Thompson displayed a map of the SoBo roadway in the area extending Herff Road and the Connector Bridge which will require purchasing property. Mr. Thompson stated that funding would come from the remaining Quality of Life and Lookout Group funds. Discussion ensued regarding Quality of Life funding, making roadway one way, consider spending the available funds on drainage issues throughout city, work with TxDOT to give entrance from Main Street at the shopping center rather than moving traffic through parking lot or alley, and consider wait and see approach. Mr. Thompson displayed a study by Kimley Horn regarding drainage on Old San Antonio Road and Cascade Caverns Road. He also displayed a map indicating intersections on Cascade Caverns Road. He stated that new development helps pay for roadway improvement. Discussion ensued regarding making the BISD driveway one way in/one way out and installing a stop light at Cascade Caverns Road and Scenic Loop intersection.

4.

Discussion on Communication

- A. Current Communication Methods
- B. Future/ Additional Communication Methods
- C. Dealing With Social Media
- D. Council Town Halls by District

Mayor Schultz called on Ms. Pamela Bransford, Public Relations Coordinator to discuss the various ways that City Staff communicates with the public. She recently attended a seminar focused on trends and the most effective ways to communicate and educate the public. Mayor Schultz stated that he hosted an informal informational meeting with the press on June 12, 2017 to discuss the City Hall project. The media is relied on considerably. Discussion ensued regarding sending out too much information to the public, consider one staff member communicate rather than multiple departments, responding to misinformation, videos are watched more than articles are read, and web-ex type communication. Mike Raute, Information Technology

Director stated that if approved in the budget, the City would like to hire a Social Media Specialist. There is also discussions on hiring a PR firm to determine where improvement is needed to get the facts out to the community. Staff recently boosted the City's Facebook page. He reminded the City Council that the Open Meetings Act comes into play with web-ex type communication and that retention on the servers is also an issue. Everything that is published on the City' website has a retention period. Mr. Raute also mentioned that Town Hall meetings can be recorded such as we do with City Council meetings and broadcast 24 hours later. Currently there are 10 to 15 people viewing each City Council meeting online. Staff has homeowners' association contact information should the Council Members wish to schedule public meetings.

Mayor Schultz recessed the City Council meeting at 2:56 p.m.

Mayor Schultz called the City Council meeting back into session at 3:10 p.m.

5. Discussion on the 85th Legislative Session

Mayor Schultz called on Ms. Kirsten Cohoon, City Attorney. Ms. Cohoon presented a brief overview of the 85th Legislative Session. She stated that Governor Abbott called a Special Session that will begin on July 18, 2017 lasting 30 days. She discussed bills related to the City that failed and passed. Discussion ensued regarding informing the public of the issues to be discussed in the Special Session, texting while driving, and encouraging the public to write to Senator Donna Campbell even though a response may not be received.

6. Voluntary ETJ Action

Mayor Schultz called on Mr. Chris Turk, Economic Development and Project Implementation Coordinator. Mr. Turk referred to an article from 2015 in the San Antonio Express News titled "San Antonio Looks To

Step Up Its Annexation Plans". Staff recommended to the Mayor, City Manager, and Deputy City Manager that the City take actions in response to the aggressive annexation plan. Permission was given to move forward to identify the quickest and shortest route to seek voluntary inclusion in Boerne's Extraterritorial Jurisdiction which would provide the "ETJ Wall" similar to the one east of Boerne from the City limits to FM 3351. He displayed a map of the proposed area. 53 letters went to property owners offering the opportunity to petition to be included in the City of Boerne's ETJ rather than San Antonio. Mr. Turk explained that the City can not tax the property owners nor do City ordinances apply until such time the City annexes into the City limits. Staff will bring the petitions to the City Council for consideration at the first meeting in July.

7. Discussion on FY 2018 Budget

Mayor Schultz called on Ms. Sandy Mattick, Finance Director. Ms. Mattick stated that Staff has been working on the 2018 budget the last several months. In addition to Budget Workshops, Staff will meet with each City Council Member at a later date. She discussed the various funds and the descriptions, the major sources of revenues, available fund balance, the budget calendar, the financial overview as well as the five year forecast. She explained that on new construction, after receiving the Certificate of Occupancy it could take a year and a half or two years before the City receives the tax revenues on ad valorem tax. Discussion ensued regarding park fees, internal service fund, franchise fees (all other), and the addition of administration personnel for economic development.

8. 5 Year Capital Improvement Plan and Financial Forecast and Personnel

Ms. Mattick continued with the 5 Year Capital Improvement Plan and Financial Forecast. She stated that requests from various departments have been received, however not all projects have available funding. She reviewed ad valorem tax revenues, public safety, personnel costs, utility revenues, outstanding debt, and legal debt margin information. She reviewed the highlights of the 5 Year Plan, proposed major

initiatives for general government and utilities. Mr. Mike Mann, Public Works Director explained the necessity of each proposed major initiative in utilities. Discussion ensued regarding total debt and debt per capita.

9.

City Council Goals for FY 2017- 2018

Mayor Schultz asked the City Council if they had any additional goals for the upcoming year that haven't already been discussed.

Council Member Boyd: Finding a solution to congested areas, whether that means red lights or turn lanes especially on Johns Road, West San Antonio Road, School Street, Main Street and other high traffic areas with smaller county type roads. Take over Main Street to mprove and enhance Main Street. Improve pedestrian safety with TxDOT by adding crosswalks at Blanco Road at the trail crossing, River Road, and Main Street. There is a huge issue with jaywalking on Main Street.

Council Member Colvin: Don't take a "wait and see" attitude on Cascade Caverns Road although TxDOT's construction will improve the area. The City should not develop the road one piece at a time as things develop towards Southglen. In favor of bond election for improvements.

Council Member Cisneros - Council should be supportive of the Kendall Gateway project which will be coming to the City Council with a recommendation soon. The recommendation may not be favorable by some property owners if a road goes through their property. Traffic won't be alleviated on Main Street or other places until this issue is addressed. Suggest that employees be offered a dual or triple action health insurance plan for dependent coverage. Rates are increasing. Employees are looking for solutions to high premiums and the Market Place is not helping.

Council Member Anzollitto: A good amount of the budget should be applied to road and drainage improvements on Old San Antonio Road, Cascade Caverns Road and Adler Road. Charging county residents to use City programs. Improve parking downtown. Suggest establishing an

ordinance requiring property owners to make improvements to their property.

Mayor Pro Tem Woolard: Find solution to increase downtown parking. Look at older areas of town that are in severe need of road improvements such as no curbs and inventory those areas needing attention. Evaluate locations where sidewalks are needed. Improve mobility in the Arts area south of the Main Street Bridge.

City Manager Bowman stated that some of the issues raised are improvements to infrastructure that will require a bond issue. In 2006, the voters approved a Quality of Life bond issue to raise taxes six cents. To date, the City has raised taxes only two cents. He has read where some cities are charging customers on their monthly utility bill for street improvements. He also stated that the Parks Master Plan will include an estimate of cost for the various requested projects. Prioritization will be required.

Mayor Schultz stated that the City should have applied the full six cent tax from the Quality of Life bond issue when it was approved. In February of 2018, it is anticipated that TxDOT will overlay Main Street at a cost of \$8 million. He is hesitant about taking over Main Street.

10. COMMENTS FROM COUNCIL/LEGAL COUNSEL/STAFF – No discussion or action may take place.

11. ADJOURNMENT

Mayor Schultz adjourned the Special Called City Council meeting at 4:49 p.m.

APPROVED:

Mayor

ATTEST:

City Secretary