

AN ORDINANCE 100557

**APPROVING THE RENEWAL OF A FIFTEEN (15) YEAR INTERLOCAL AGREEMENT AND BUDGET BETWEEN THE CITY OF SAN ANTONIO AND ALAMO COMMUNITY COLLEGE DISTRICT FOR A ONE (1) YEAR PERIOD BEGINNING APRIL 1, 2005 WHICH FACILITATES ADMINISTRATION OF PROCEEDS ENCUMBERED UNDER THE CITY OF SAN ANTONIO VS. ALAMO COMMUNITY COLLEGE DISTRICT SETTLEMENT AGREEMENT.**

\* \* \* \* \*

**WHEREAS**, in the interest of ending continuing litigation, the City of San Antonio ("CITY") entered into a Settlement Agreement in March 2001, attached hereto and incorporated herein as Attachment I, with the Alamo Community College District ("ACCD"), permitting the encumbrance of 14% of ACCD's monthly City Public Service ("CPS") electricity and natural gas charges that would otherwise accrue to the City into two accounts, to be maintained at ACCD for a period of up to fifteen (15) years; and

**WHEREAS**, these accounts consist of a Building Account, which provided one-time funds in the amount of approximately \$2.9 million for the construction of the Advanced Technology Center ("ATC") at KellyUSA, as well as an Education and Training Account, established through an ongoing allocation of the 14% of CPS proceeds, to provide funds for customized workforce training and/or for any lawful purpose in furtherance of the City's economic development and workforce development goals and strategies; and

**WHEREAS**, an Interlocal Agreement was also executed at the time of the settlement to regulate the annual administrative and monitoring functions of the Settlement Agreement; and

**WHEREAS**, the Interlocal Agreement must be renewed by mutual consent of both the ACCD Board of Trustees ("ACCD Board") and City Council on an annual basis through March 31, 2016; and

**WHEREAS**, in accordance with the Interlocal Agreement, an Education and Training Account is maintained by ACCD, with quarterly financial reports provided to the City's Finance Department setting out the CPS revenues and interest accrued as well as deductions for negotiated expenses incurred by the Information Technology & Security Academy ("ITSA"), the Alamo Area Aerospace Academy ("AAAA") and the emerging Manufacturing Technologies Academy ("MTA"), all operated in partnership through ACCD; and

**WHEREAS**, deductions are also tracked for training expenses provided by the ACCD system for the benefit of the City, whereby all training is provided by ACCD through negotiated contracts with each of the colleges for specific training needs, including curriculum development, classes or customized training for city employees, clients of the Community

Initiatives Department as well as tuition reimbursement for City employees taking ACCD courses and meeting the reimbursement criteria; and

**WHEREAS**, these funds may also be used to provide customized training by ACCD to the workforce of businesses within targeted industries that locate to, or expand in, San Antonio; and

**WHEREAS**, although the Agreements do not obligate the City to spend any amount of the CPS proceeds in the Education and Training Account in any given year of the Agreement, Attachment II defines existing available funds and funding priorities for Year Five of the Interlocal Agreement budgeted for the period April 1, 2005 through March 31, 2006; and

**WHEREAS**, prior to the expiration of the fourth term of the Interlocal Agreement, the City Economic Development Department worked with both interdepartmental City staff and with ACCD representatives to identify areas within the Interlocal Agreement in need of clarification and/or amendment; and

**WHEREAS**, the ACCD Board approved the Year Five Interlocal Agreement with the proposed amendments and budget on February 22, 2005 by minute order as recommended by the ACCD Chancellor, a copy of which is attached hereto and incorporated herein as Attachment III; and

**WHEREAS**, as described in Attachment II, the 2005-2006 Education and Training Account Budget provides that the Information Technology & Security Academy ("ITSA"), the Alamo Area Aerospace Academy ("AAAA") and the Manufacturing Technologies Academy ("MTA") (collectively, the "Academies") qualify for some of the Year Five Interlocal Agreement funding priorities; and

**WHEREAS**, the Interlocal Agreement, through this Budget, allocates \$315,413 for the operation of the combined Academies, representing approximately 29% of the total budget for the Academies; and

**WHEREAS**, the Academies have provided training to 720 students, with a total of 134 students graduating to date and of those graduates, 72 were hired within the aerospace industry at wages ranging from \$8.50 to \$12.00 an hour, with 58 going on to higher education; and

**WHEREAS**, the projected enrollment for the Academies in Years 2005-2006 is 263 students (89 in the AAAA, 120 in ITSA and 54 in the MTA); and

**WHEREAS**, additional funding priorities include the City's Human Resources Department, utilizing \$268,095 to provide customized training and tuition reimbursement assistance to City employees with needs assessed through interdepartmental surveys to assist ACCD in designing courses with the capacity to train approximately 3,640 of those employees in curriculum such as customized technology training (SAP), cash handling and GIS analysis; and

**WHEREAS**, the Department of Community Initiatives has \$107,488 budgeted to provide for workforce training to clients, offering industry specific training in financial services, the

insurance industry, veterinary assistance as well as computer literacy and job skills development to approximately 800 adults for employment acquisition and retention; and

**WHEREAS**, the Budget also provides for a reserve fund of \$150,000 to be administered by the Economic Development Department for customized training incentives available for potential employers in targeted industries who are interested in relocating or expanding their business in San Antonio, with \$25,000 of these funds going to the Texas Machining Enterprises for those purposes; and

**WHEREAS**, the City Council finds that renewal of the amended ACCD Interlocal Agreement for an additional year is consistent with the City's *Strategic Plan for Economic Development* as well as the City's workforce development goals and objectives and is in the best interest of the City; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Council hereby authorizes and approves renewal of the fifteen (15) year ACCD Interlocal Agreement, for a twelve (12) month period beginning April 1, 2005 and ending March 31, 2006. A signed copy of the Agreement is attached hereto and incorporated herein as Attachment I.

**SECTION 2.** The City Council also hereby approves the Education and Training Account Budget for the period beginning April 1, 2005 and ending March 31, 2006 as attached hereto and incorporated herein as Attachment II.

**SECTION 3.** The Interim City Manager or his designee is authorized, for a sixty (60) day period from the effective date of this ordinance, to execute an Agreement as approved in Section 1. The final Agreement shall be filed with this Ordinance upon execution.

**SECTION 4.** This ordinance shall be effective on and after the tenth day after passage hereof.

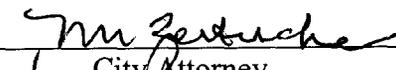
PASSED AND APPROVED this 10th day of March, 2005.

  
ATTEST

  
M A Y O R  
EDWARD D. GARZA

City Clerk

APPROVED AS TO FORM:

  
for City Attorney

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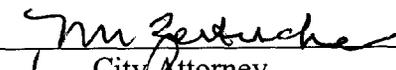
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