

CITY OF ALAMO HEIGHTS
CITY COUNCIL
August 12, 2024

A regular meeting of the City Council of the City of Alamo Heights, Texas was held at the Council Chamber, located at 6116 Broadway, San Antonio, Texas, at 5:30 p.m. on Monday, August 12, 2024. A teleconference was held via Zoom; staff and meeting attendees were welcomed in the Council Chamber.

Composing a quorum were:
Mayor Bobby Rosenthal
Mayor Pro Tem Lynda Billa Burke
Councilmember Lawson Jessee
Councilmember Karl P. Baker
Councilmember Blake M. Bonner
Councilmember John Savage

Also attending were:
City Manager Buddy Kuhn
Assistant City Manager Phil Laney
City Attorney Frank Garza
Assistant to City Manager Jennifer Reyna
City Secretary Elsa T. Robles
Director of Finance Robert Galindo
Police Chief Rick Pruitt
Fire Chief Michael Gdovin
Deputy Police Chief Cindy Pruitt
Public Works Director Frank Orta
Community Development Services Director Lety Hernandez

* * *

Mayor Bobby Rosenthal opened the meeting at 5:31 p.m.

* * *

Item # 1 Approval of Minutes

Mayor Rosenthal asked the City Council for a motion on the July 8, 2024 City Council Meeting minutes. Councilmember Blake M. Bonner moved to approve the minutes as presented. The motion was seconded by Mayor Pro Tem Lynda Billa Burke and passed by unanimous vote.

Mayor Rosenthal asked for a motion on the July 18, 2024 Budget Workshop minutes. Councilmember Bonner moved to approve the minutes as presented. The motion was seconded by Mayor Pro Tem Billa Burke and passed unanimously.

* * *

Item # 2 Announcements

Mayor Rosenthal read the following caption.

a. Soler Sports 5K, August 17, 2024

Community Development Services Director Lety Hernandez stated she was announcing the 24th Annual Soler Sports event scheduled for Saturday, August 17th at 8:30 a.m. Set-up will begin at 10:00 a.m. the day before, August 16th. The event will take place at the Alamo Heights Pool – 250 Viesca Ave.

* * *

Item # 3 Citizens to be Heard

No comments were made.

* * *

Items for Individual Consideration

Item # 4 Mayor Rosenthal read the following caption.

Public Hearing – Planning and Zoning Case No. 437, a request of Sergio Galindo, owner, to rezone the western portion of the property identified as CB 4050, BLK 63, LOT 40 (HALE SUBDIVISION) also known as 516 Circle St zoned Business District (B-1) to Two-Family Dwelling District (2F-C).

Ms. Hernandez stated the property owner requests to rezone the western portion of the property located at 516 Circle St from Business District (B-1) to Two-Family Dwelling District (2F-C). She stated the property was rezoned back in 1973 and replatted in 2022 combining two parcels into one.

Ms. Hernandez noted the proposed rezone would be more restrictive than what it currently is and would also return the property to its original zoning designation. The Planning and Zoning Commission (P&Z) considered the rezone request at its May 6th meeting and voted unanimously to recommend approval as requested.

Public notifications were mailed to property owners within the 200-foot radius. Notices were posted on the City’s website and on the property. A legal notice was published in the *San Antonio Express-News*. Staff received no responses in support or in opposition.

Mayor Rosenthal opened the public hearing at 5:35 p.m. With no one to speak on the item, Mayor Rosenthal closed the public hearing at 5:36 p.m.

Item # 5 Mayor Rosenthal read the following caption.

ORDINANCE NO. 2224

AN ORDINANCE AMENDING ORDINANCE NO. 374 PASSED AND ENROLLED ON AUGUST 19, 1963, THE ZONING ORDINANCE OF THE CITY OF ALAMO HEIGHTS, BY REZONING THE

PROPERTY KNOWN AS LOT 40, BLOCK 63, COUNTY BLOCK 4050, WHICH IS THE PROPERTY KNOWN AS 516 CIRCLE ST FROM BUSINESS DISTRICT (B-1) TO TWO-FAMILY DWELLING (2F-C) AND SETTING AN EFFECTIVE DATE.

Councilmember Bonner moved to approve P&Z Case No. 939F. The motion was seconded by Councilmember Savage and passed by unanimous vote.

Item # 6 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 928F, request of Sergio Galindo, owner, for the compatibility review of the proposed design located at 516 Circle St in order to construct a new two-story duplex.

Ms. Hernandez stated the Business District (B-1) & Two-Family (2F-C) property is located at 516 Circle St. on the northern side of the street and east of Ashcroft. The applicant requests approval for the compatibility review of the proposed design in order to construct a new two-story duplex on the empty lot.

Ms. Hernandez stated the case had gone before the ARB the previous existing structure followed the significance review process for 100% demolition. The Architectural Review Board twice earlier this year before they made a recommendation to send it to City Council for review. The applicant self-identified some variances relating to front, rear, and side yard setbacks on April 3, 2024 which were approved. The P&Z again considered the request at their May 6th meeting and recommending approval of the rezone.

Ms. Hernandez reviewed the existing/proposed site plans, elevations and roof plan. The proposed structure height is 29ft 4 ½ inches with stucco, stone, ceramic tile and metal roof. She noted a proposed pool that is not under review at this time. She reviewed renderings of the building and advised the applicant eliminated the street facing garage door.

In terms of the policy analysis, the plan review is required to ensure compliance with current building and zoning regulations and approved variances. The ARB considered the request at their July 16, 2024 meeting and recommended approval of the proposed design as compatible with the condition the material selection be reviewed and simplified. They requested the applicant provide a clearer and coordinated color selection on the exterior, remove the stoops and covered items from the exterior, consider removing the black color for the top parapet and side returns to a more contiguous color that blends in with the lighter colors of the residence.

Ms. Hernandez shared the applicant had addressed ARB requests and made some changes as recommended, but the ARB still had some concerns. She stated public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website and on the property. Staff received one response in opposition from a resident within the 200ft radius and one in support from a resident outside the 200ft radius.

After a brief discussion, Mayor Pro Tem Billa Burke moved to approve ARB Case No. 928F. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

Item # 7 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 943F, request of Lisa Nichols of Nic Abbey Homes, applicant, representing Rex and Deborah Amini, owner, for the compatibility review of the proposed design located at 217 Chester St in order to construct a new two-story single-family residence with a detached accessory structure.

Ms. Hernandez stated the Single-Family A (SF-A) property is located at 217 Chester St. on the west side between Hubbard Ave. and Poco St. The applicant requests approval for the compatibility review of the proposed design in order to construct a new two-story single-family residence with a detached accessory structure.

Ms. Hernandez stated the property had been subdivided earlier this year as recommended by P&Z and approved by City Council. She reviewed the site plan noting tree clusters on the property. She reviewed the proposed elevations stating the proposed structure height is 27ft 8 inches with stucco and a barrel tile roof. She noted a proposed pool that is not under review at this time. She reviewed renderings of the building and advised the applicant eliminated the street facing garage door.

In terms of the policy analysis, the applicant proposes a lot coverage of 37% of the allowable 40% and total floor area ratios of 42% maximum of 0.47 would be allowed due to the detached one story garage. The project is required to complete the plan review process to ensure compliance with current regulations.

The ARB considered the request at their July 16, 2024 meeting and voted unanimously to recommend approval of the proposed design as compatible.

Public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website and on the property. Staff received one response in support and one neutral response.

Councilmember Bonner moved to approve ARB Case No. 943F. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

Item # 8 Mayor Rosenthal read the following caption.

Presentation of Proposed FY 2024 - 2025 Operating Budget and scheduling a public budget hearing

Director of Finance Robert Galindo stated he was presenting the proposed FY 2024-2025 Budget for the City of Alamo Heights and would request Council consider scheduling a public hearing at the next regular Council meeting on August 26, 2024.

Mr. Galindo stated the City adopts a balanced budget for each fiscal year in accordance with Texas State law and generally accepted accounting standards. The budget is required to cover only those expenditures with revenue for which the City has authority to levy, thus creating a balanced budget. A public hearing is required for the proposed budget to ensure transparency with Alamo Heights citizens.

The proposed FY 2024-2025 Budget revenues cover operating expenditures and creates a positive working capital of \$315,274. Mr. Galindo stated this working capital can be returned to the Fund Balance or designated to fund capital assets or projects. He advised the proposed budget includes an increase to the residential garbage fee to \$20/month and non-residential \$30/month. On October 1, 2026 the garbage fee will increase by \$5 to residential \$25/month and non-residential \$35/month.

Mr. Galindo summarized the proposed budget components for FY2024-2025. These include the Tax Rate, General Fund Budget, Comprehensive Fund, Capital Projects, Street Maintenance Fund & Capital Replacement Fund, Utility Fund Revenues and Allocations, Capital Projects Fund and Council's guidance on the final budget.

Mr. Galindo reviewed a summary of the proposed General Fund Budget for FY 2024-2025. The Operating Revenues beginning on October 1, 2024 are \$6,387,878 and Department Allocations are \$13,226,866 leaving a working capital of \$315,274. Staff expects an estimated fund balance of \$6,703,152 at the end of the fiscal year on September 30, 2025.

The Government Finance Officers Association (GFOA) recommends at least a 25% Fund Balance of the General Fund operating budget. The General Fund had a balance of 57% of the operating budget at the end of September 30, 2023. The fund balance allows the city to withstand any unforeseen disasters and emergencies. It also saves thousands in interest costs if the city issues bonds because the city has an AAA rating from S&P mainly due to the fund balance being in good standing, the stable economy and strong management.

The proposed Utility Fund Revenue and Allocations estimated beginning balance for FY 2024-2025 on October 1, 2024 is \$2,480,740. The Fund Revenues are at \$5,507,576 and Operating Expenses of \$5,487,739, leaving a balance of \$19,837 in working capital. Mr. Galindo summarized other proposed governmental fund balances and noted:

- Beautification Project of \$1.4M
- Community grant program of \$50,000 (Must be used by Sept. 30, 2025)
- Street Maintenance estimated dedicated ½ cent sales tax revenue of \$868,811
- 2021 Taxable bond proceeds of \$13,250,000 included in the Capital Projects Fund balance
- Olmos Basin Cleanup \$25,000
- Capital Replacement – IT \$28,000, Ambulance \$204,700, Stretcher \$43,000, Police Body Worn Cameras Lease \$25,816, Police Mobile Cameras \$32,092, EMS \$75,000 future ambulance, Half Cost for Dump Truck \$90,000 split with Utility Fund

After the presentation, Mr. Galindo requested Council's approval to hold a public hearing for the proposed FY 2024-2025 Budget and set an action item to adopt the proposed budget at the next regularly scheduled Council meeting on August 26, 2024.

Councilmember Karl P. Baker moved the City hold a public hearing for the Proposed FY 2024-2025 Budget on August 26, 2024. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

Councilmember Baker moved the City have an action item to adopt the Proposed FY 2024-2025 Budget on August 26, 2024. The motion was seconded by Councilmember Bonner and passed by unanimous vote.

Item # 9 Mayor Rosenthal read the following caption.

Discussion and possible action to set the proposed 2024 tax rate and scheduling a public hearing

Mr. Galindo stated the City is required by Ch. 26 of the Texas Property Code to determine and publish the no new revenue tax rate and the voter approval tax rate. On August 7, 2024, staff emailed Councilmembers the no new revenue tax rate and the voter approval tax rates as required by law set forth in 2020. These rates were also posted on the city’s website.

The City is required to decide how much revenue is needed and to calculate the rate required to raise that amount. Public notices must be published and if the proposed tax rate will exceed the no new revenue tax rate, the City must hold one public hearing and adopt a tax rate. He stated in theory the property tax rate and property valuation have an inverse relationship. If the valuation goes up, the tax rate goes down and vice versa. This is because the tax rate is a rate that would generate the same amount of revenue for properties in both tax years.

Mr. Galindo reviewed the 2024 Tax Rate calculations per \$100 received from Bexar County Tax Assessor.

-No New Revenue Tax Rate - \$ 0.370159

provides the same amount of revenue received in prior year on properties taxed in both years which excludes new values

-Voter Approval Tax Rate - \$ 0.399417

maximum rate allowed by law without triggering an automatic election to approve tax rates exceeding the voter approval tax rate

Staff is recommending the proposed tax rate for 2024 to be \$0.370147 per \$100 valuation. Mr. Galindo broke down the proposed 2024 Tax Levy and proposed fund balances.

Freeze Adjusted Taxable Value	\$1,716,100,986
Proposed Tax Rate	\$0.370147/\$100
Taxable Revenue	\$6,352,096
Plus Tax Freeze Revenue	\$1,958,506
Total Property Tax Revenue	\$8,310,603

FISCAL IMPACT	
O&M (General Fund)	\$6,989,966
I&S (Debt Service Fund)	<u>\$1,320,637</u>
Total Property Tax Revenue	\$8,310,603

Mr. Galindo noted the 2024 proposed tax rate of \$0.370147 is less than the No-New Revenue Tax Rate of \$0.370159. He advised once Council decides and approves a tax rate, the adopted tax rate cannot be higher. Council is required to hold a public hearing to obtain citizen input. The City will publish notices in the *San Antonio Express-News* pursuant to the Texas Property Tax Code.

Mr. Galindo requested Council's approval to hold a public hearing for the proposed 2024 Ad Valorem Tax Rate on August 26, 2024 and set an action item to adopt the 2024 Ad Valorem Tax Rate on August 26, 2024.

Councilmember Baker moved to set the proposed 2024 Tax Rate at \$0.370147 per \$100 valuation composed of the M&O Rate of \$0.311327 and the I&S Rate of \$0.058820. The motion was seconded by Councilmember Jessee and passed by roll call vote as follows: Ayes – Mayor Pro Tem Billa Burke, Councilmember Jessee, Councilmember Baker, Councilmember Bonner, and Councilmember Savage. Nays – None. Present but not voting – Mayor Rosenthal.

Councilmember Baker moved the City hold a public hearing for consideration of the 2024 Proposed Tax Rate on August 26, 2024. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

Councilmember Baker moved the City set an action item on the August 26, 2024 agenda to adopt the 2024 Tax Rate. The motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

Item # 10 Mayor Rosenthal read the following caption.

Discussion and possible action to approve the low bid for the 2024 Street Maintenance Program (SMP) in an amount not to exceed \$888,251.96.

Public Works Director Frank Orta stated staff was seeking authorization to award the contract for the 2024 Street Maintenance Program (SMP) to Clark Construction who submitted the lowest, qualified bid. The total contract is not to exceed \$888,251.96 of the \$1M budgeted for FY2024 SMP. He commented Council authorized engineering services with Freese and Nichols for the 2024 SMP program in February 2024. The city advertised for bids in the *SA Express-News* on June 21 and June 26, 2024. Staff held a pre-bid meeting on June 28, 2024. Bids were received and opened on July 24, 2024.

The 2024 SMP includes the following project areas:

- Broadway Pedestrian Crossing, north of College
- Broadway – Blue Bonnet to Primrose
- Broadway – Primrose to Claywell (striping only)
- Estes Ave – Patterson to Cambridge Oval
- Townsend – north of Cambridge Oval to north of midblock crossing (road reprofiling)
- Arcadia – Cleveland Ct to Broadway (Add-Alternate)
- Broadway intersection, N of Austin Hwy*
- Ellwood, Cleveland Ct to Austin Hwy*
- Kampmann, Ellwood to Austin Hwy*
- Marcia, Cleveland Ct to N New Braunfels*

* To be negotiated with contractor under change order allowance

Mr. Orta shared that three bids were received, Clark Construction – \$710,601.57, Lone Star Paving – \$732,284.90, and J&P Paving – \$993,030.39. The City has had positive experience with Clark Construction, who completed the 2021 SMP. That year, they addressed sections on 14 streets across the City.

Per Local Government Code Sec. 252.048, the City has the ability to submit change order requests to increase the original contract amount by up to 25 percent, with Council authorization. City Engineer Freese and Nichols recommends awarding 2024 qualified low bid contract to Clark Construction.

Mr. Orta stated Public Works staff coordinated with City Engineer Freese and Nichols, the City Manager, and City Attorney. He added the authorization results in fiscal expenditures of \$710,601.57 for the bid contract (Clark Construction). The City has an option to add 25% for favorable contract in the amount of \$177,651.00. The total contract is not to exceed \$888,251.96 of the \$1,000,000 currently budgeted in the FY 2024 Budget.

After a brief discussion, Councilmember Jessee moved to approve the low bid for the 2024 Street Maintenance Program (SMP) in an amount not to exceed \$888,251.96. The motion was seconded by Councilmember Bonner and passed by unanimous vote.

Item # 11 Mayor Rosenthal read the following caption.

RESOLUTION NO. 2024R - 190

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALAMO HEIGHTS, TEXAS, AUTHORIZING THE CITY MANAGER TO ISSUE TASK AUTHORIZATION NO. 5 UNDER THE EXISTING PROFESSIONAL SERVICES AGREEMENT WITH FREESE AND NICHOLS INC. FOR ENGINEERING DESIGN AND PROJECT MANAGEMENT SERVICES FOR THE 2024 WATER MAIN REPLACEMENT PROJECT; AND SETTING AN EFFECTIVE DATE.

Mr. Orta stated staff requests approval for the engineering design and project management services with Freese and Nichols Inc. for the water main replacement in the amount of \$60,764. This service is for the city's continued effort to bring the proximity of the water and sewer lines into compliance as mandated by Texas Commission on Environmental Quality (TCEQ). He noted construction of the design will be done using City forces.

Mr. Orta explained the separation of sanitary sewer and portable water is mandated by TCEQ with a deadline of January, 2030 for all noncompliant lines. The design will provide staff plans for the relocation of water mains to the front of the properties. A future project will install piping to connect newly installed mains and service runs to individual residences. He reviewed a map of the project location.

In reference to policy analysis, the request is consistent with City practice to negotiate fees for professional services and is consistent with the City's interest in having professional expertise to design and project manage key infrastructure enhancements and renovations, particularly those projects included within the Utility Water and Wastewater asset compliance and maintenance.

As is the previous item, staff coordinated with City Engineer Freese and Nichols, the City Manager, and City Attorney. Task Authorization No. 5 authorizes Freese and Nichols to provide engineering design and project management services in securing design and project management in an amount of \$60,764. These funds are currently available in Utility Fund's FY 2024 Budget.

After some discussion, Councilmember Bonner moved to approve Resolution No. 2024R – 190 authorizing the City Manager to execute Task Authorization No. 5 with Freese and Nichols for the 2024 Water Main Replacement Project. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

Item # 12 Mayor Rosenthal read the following caption.

ORDINANCE NO. 2225

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF ALAMO HEIGHTS, TEXAS, AMENDING CHAPTER 18, TRAFFIC, SECTION 18-147, SCHEDULE B, STOP SIGNS BY CREATING A NEW THREE-WAY STOP INTERSECTION AT WEST ELMVIEW DRIVE AND COLUMBINE STREET AND AMENDING SECTION 18-147, SCHEDULE E, SCHOOL ZONES AND PROVIDING FOR A PENALTY; PROVIDING A SEVERABILITY CLAUSE; AND OPEN MEETINGS CLAUSE.

Police Chief Rick Pruitt stated requested approval of the proposed ordinance to amend Chapter 18, Traffic, Section 19-147, Schedule B, Stop Signs by creating a new three-way stop intersection at West Elmview Drive and Columbine Street; and amending Section 18-147, Schedule E, School Zones by adding new 20 mph school zones.

Police Chief Pruitt explained this is due to the Alamo Heights High School project which will displace a total of 222 on-campus parking spaces during construction. Teachers and staff will be relocated to designated parking spaces around the campus of 102 spaces. Additionally, portable buildings, teachers and staff parking further reduced student parking of 120 spaces. He added AHISD purchased and developed two parcels of land to create 204 available parking spaces for displaced students.

The projected impact is an increase in student traffic in the neighborhoods on the west side of Broadway in proximity to the school with the greatest impact anticipated at W. Castano Ave., Tuxedo Ave., W. Fair Oaks Dr., and W. Elmview Dr. between Nacogdoches Rd. and Broadway (parking lot access/egress points).

Police Chief Pruitt commented school zones, traffic control devices and medians are already in place on residential streets east of Broadway due to the school related traffic using the parking areas around the school. Anticipation of the same neighborhood impacts with the student parking areas moved to the west side of Broadway. He reviewed a map of the proposed location. The proposed 20 mph school zones west of Broadway are: W. Castano Ave. between Broadway and Alamo Heights Blvd., Tuxedo Ave. between Broadway and Columbine St., W. Fair Oaks Dr. between Broadway and Columbine St., W. Elmview Dr. between Broadway and Columbine, and a Three Way Stop at West Elmview and Columbine.

Staff proposes an ordinance amending; Chapter 18, Traffic, Section 19-147, Schedule B, Stop Signs by creating a new three-way stop intersection at West Elmview Drive and Columbine Street; and amending Section 18-147, Schedule E, School Zones by adding new 20 mph school zones; West Castano Avenue between Alamo Heights Boulevard and Broadway; Tuxedo Avenue between Columbine Street and Broadway; West Fair Oaks Drive between Columbine Street and Broadway; and West Elmview Drive between Columbine Street and Broadway.

The Texas Transportation Code, Sections 542.201 and 542.202 “Powers of Local Authorities” authorize a local authority to enact or enforce an ordinance or rule and may regulate traffic.

In closing, Police Chief Pruitt stated staff consulted and coordinated with the AHISD, affected residents who will have new signs located on/near their properties. The City Manager reviewed the proposal, and the City Attorney prepared the proposed ordinance. He noted the ordinance will be published in the San Antonio Express-News and posted on the COAH website if adopted. He stated staff sent letters to all residents on the affected streets and noted a petition was received from eighteen West Elmview households requesting the proposed action. The fiscal impact for the cost of signs and poles is \$1,871.52.

Council discussed potentially reprogramming traffic signals on Castano and Fair Oaks to allow for traffic to flow more efficiently while dropping off and picking up students. They also discussed tree trimming to help school signs be more visible.

Mayor Pro Tem Billa Burke moved to approve Ordinance No. 2225 as presented. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

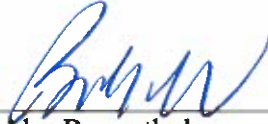
* * *

With no further business to consider, Councilmember Bonner moved to adjourn the meeting at 6:24 p.m. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

PASSED AND APPROVED THIS 26th DAY OF AUGUST, 2024.



Elsa T. Robles, TRMC
City Secretary



Bobby Rosenthal
Mayor

