

CITY OF ALAMO HEIGHTS
CITY COUNCIL
November 14, 2016

A regular meeting of the City Council of the City of Alamo Heights, Texas was held at Council Chambers, located at 6116 Broadway, San Antonio, Texas, at 5:30 p.m. on Monday, November 14, 2016.

Present and composing a quorum were:

Mayor Louis Cooper
Mayor Pro-Tempore Fred Prassel
Councilmember Lawson Jessee
Councilmember Bobby Rosenthal
Councilmember John Savage
Councilmember Lynda Billa Burke

Also attending were:

City Manager J. Mark Browne
Fire Chief/Assistant City Manager Buddy Kuhn
Assistant to the City Manager Marian V. Mendoza
City Attorney Mike Brenan
Finance Director Robert Galindo
Community Development Services Department Director Jason Lutz
Human Resource Manager Lori Harris
Chief Police Rick Pruitt
Public Works Director Pat Sullivan

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Mayor Louis Cooper opened the meeting at 5:30 p.m.

Mayor Cooper announced today is Mayor Pro Tem Fred Prassel's birthday. Everyone present wished Mayor Pro Tem Prassel a happy birthday.

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Item # 1 Approval of Minutes

Mayor Cooper asked City Council for any revisions to the minutes of the October 24, 2016 City Council meeting and October 26, 2016 Special City Council meeting. A motion was made by Councilmember Bobby Rosenthal to approve the minutes of October 24, 2016 City Council meeting and October 26, 2016 Special City Council meeting. The motion was seconded by Councilmember Lynda Billa Burke and passed by unanimous vote.

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Item # 2 Announcements

Mayor Cooper read the following caption.

a. 39th Annual Chamber of Commerce Holiday Parade, November 19, 2016

Community Development Services Department Director Jason Lutz announced the 39th annual Alamo Heights Chamber of Commerce Holiday parade. It will be held on Saturday, November 19th beginning at 5:30 p.m. to 6:30 p.m. He displayed the parade route.

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Item # 3 Citizens to be heard concerning items not on the agenda

There were no citizens that signed up to speak.

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Items for Individual Consideration

Item # 4 Mayor Cooper read the following caption.

Architectural Review Board Case No. 649F, request of Brister Design Group, applicant, representing Alex Whittington, owner, for the significance review of the existing main structure and compatibility review of the proposed replacement structure located at 225 E. Oakview under Demolition Review Ordinance No. 1860 in order to demolish 100% of the existing main structure and construct a new single-family residence with detached accessory structure

Community Development Services Director Jason Lutz made a brief PowerPoint presentation that included background information, map, photos, proposed site plan, elevations, and existing/proposed streetscapes.

Mr. Lutz identified the project and stated the applicant seeks to demolish 100% of the existing main structure and construct a new single family residence with a detached accessory structure (carport). He reviewed the existing and proposed residential design standards. The exterior building materials are stone, stucco and standing seamless metal roof. One 28” Red Oak tree will be removed and \$2,000 in fees will be collected in lieu of mitigation. The existing site plan, photos, elevations, and existing/proposed streetscapes were presented. He stated a basement was included in the site plan.

On October 18, 2016, the Architectural Review Board (ARB) reviewed the application request. ARB approved the request with the condition that the chimney

extend above the roof ridge line. Mr. Lutz stated the condition had been satisfied. Staff received three responses in support of the project and none in opposition.

Councilmember Lynda Billa Burke asked if core sampling will be conducted for basement.

Mr. Alex Whittington, property owner, responded that a boring sample was taken in the driveway with a depth of 20 feet. He reported that the sample was of good material with no water or rock.

A motion for approval was made by Councilmember Lawson Jessee. The motion was seconded by Councilmember Lynda Billa Burke and passed by unanimous vote.

Item # 5 Mayor Cooper read the following caption.

Architectural Review Board Case No. 650F, request of Audra Kerr, owner, for the significance and compatibility review of the existing structure located at 248 W. Castano under Demolition Review Ordinance No. 1860 in order to demolish 100% of the exterior facing walls by encapsulation to replace the existing exterior finish materials with new exterior finish materials

Mr. Lutz made a PowerPoint presentation that included background information, map, photos, existing/proposed site plans, elevations, and existing streetscapes.

Mr. Lutz identified the project and stated the applicant requests to encapsulate 100% of the existing main structure with stucco, stone, and replace exterior finish materials. ARB and Council approved the significance and compatibility review in January 2016 which included two additions to the existing structure. Mr. Lutz stated wood was used as the exterior material to match the existing structure; however, the applicant would like to replace the wood with stucco, stone and use a composition shingle roof to match the fireplace's exterior material. He reviewed the existing and proposed residential design standards. The existing/proposed site plans, elevations, photos, and existing streetscapes were presented.

On October 18, 2016, ARB reviewed the application and approved the request. Staff received five postcards in support of the request and none in opposition.

A motion for approval was made by Councilmember Bobby Rosenthal. The motion was seconded by Mayor Pro Tem Fred Prassel and passed by unanimous vote.

Councilmember Jessee requested if the process may be amended in which a board or commission may provide approval as in this case such as changing exterior materials. Mayor Cooper agreed with Councilmember Jessee.

City Manager Browne stated he will look into an ordinance to allow approval on such a request without another presentation to City Council.

Item # 6 Mayor Cooper read the following caption.

Architectural Review Board Case No. 651F, request of Justin Johnson, Veryan Inc., owner, for the significance review of the existing main structure and compatibility review of the proposed replacement structure located at 265 E. Edgewood under Demolition Review Ordinance No. 1860 in order to demolish 100% of the existing main structure and construct a new single-family resident

Mr. Lutz made a PowerPoint presentation that included background information, map, photos, existing/proposed site plans, elevations, and existing/proposed streetscapes.

Mr. Lutz identified the project and stated the applicant requests to demolish 100% of the existing main structure and construct a new single family residence. He reviewed the existing and proposed residential design standards. He stated the exterior building materials are hardie siding/shingles and standing seam metal roof. One 23" Arizona Ash tree will be removed from the property and no mitigation is required since it is a non-heritage tree. The existing/proposed site plans, elevations, and existing/proposed streetscapes were presented.

On October 18, 2016, ARB reviewed and approved the application request. Staff received two responses in support of the project and one in opposition.

A motion for approval was made by Mayor Pro Tem Fred Prassel. The motion was seconded by Councilmember John Savage and passed by unanimous vote.

Item # 7 Mayor Cooper read the following caption.

ORDINANCE NO. 2063

AN ORDINANCE APPROVING AND ACCEPTING THE RENEWAL OF CONTRACT WITH BLUE CROSS-BLUE SHIELD FOR EMPLOYEE HEALTH INSURANCE AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY AGREEMENTS FOR THE PROVISION OF SUCH INSURANCE

Human Resources Manager Lori Harris made a PowerPoint presentation that included background information.

Ms. Harris stated the health insurance was subject to renewal and Blue Cross Blue Shield provided renewal insurance rates at 11.2% increase for the Health Savings Account (HSA) and Buy-Up Plans. Catto & Catto marketed to other insurance carriers:

Aetna, Humana and United Healthcare. She stated none of their health insurance plans were competitive as Blue Cross-Blue Shield. On November 9, 2016, Catto & Catto informed staff that Blue Cross-Blue Shield offered revised renewal rates at 8.2% increase.

Ms. Harris presented two features of the insurance plans: 1) the City will contribute \$1,250 for HSA account holders and 2) HSA plans are available for eligible employees. She stated this is consistent with the City's efforts to provide quality insurance coverage.

Ms. Harris stated the City will realize savings in the amount of \$40,211 with the revised renewal insurance plan and falls within the budget since 15% was earmarked for insurance increase.

Mr. Browne introduced President Jim Blakey and Partner Benjamin Halbach with Catto & Catto Insurance. Mr. Jim Blakey stated Catto & Catto returned to Blue Cross-Blue Shield and reported that if long-term disability insurance is bundled with the health insurance there is a 5% insurance renewal rate instead of 8.2% increase renewal rate. He estimated over \$19,000 in savings.

Councilmember Savage expressed support for the Blue Cross-Blue Shield revised offer as he stated 5% of an insurance increase is a real benefit. Mr. Browne stated Catto & Catto did a great job and commented that he didn't expect any obstacles if Council decided to pursue the revised bundled insurance option.

A motion for approval was made by Councilmember Savage to include the revised insurance package. The motion was seconded by Mayor Pro Tem Prassel and passed by unanimous vote.

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At 5:51 p.m. Mayor Cooper announced there was cake in celebration of Mayor Pro Tem Prassel's birthday. Cake was distributed to all in attendance. Mayor Pro Tem Prassel thanked everyone for signing his birthday card. Item # 8 was considered next.

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Item # 8 Mayor Cooper read the following caption.

Discussion and possible action on personnel realignment and wage adjustments for the Police and Fire department(s)

Fire Chief Buddy Kuhn and Police Chief Rick Pruitt made a PowerPoint presentation that included background information.

Fire Chief Kuhn stated the Police and Fire Departments are experiencing a continual loss of employees. He informed Council the average tenure of a Firefighter is estimated at 1.87 years for 14 employees which is 50% of operations staff. He stated he is anticipating additional losses in the department resulting from discontent, better opportunities, pay, retirement, health insurance benefits, and in summary competition among other cities such as the City of San Antonio and San Marcos Fire Departments.

Fire Chief Kuhn informed Council of the proposed solutions to be competitive within the area. He proposed a reduction in staffing of four personnel: one administrative and three Firefighter/paramedic positions which will be equally removed from the Fire Department and EMS budgets. He explained the proposed reductions will have 24 uniformed personnel at three operational shifts with the range of five to seven in personnel, department is originally staffed with a range of six to eight personnel. He stated the administrative position will be reassigned as the operational shift commander.

Benefits in supporting personnel reduction were reviewed to allow the Fire Department to be more competitive, retain and attract employees. FY17 budget has ample funding in consideration of the proposed reduction.

Fire Chief Kuhn reviewed the salary adjustments (raises) for Fire Department personnel and savings. He stated the salary raises will be distributed equally among all ranks for all positions except the deputy chiefs.

Councilmember Billa Burke asked if the Cities of Terrell Hills and Olmos Park had similar problems.

Fire Chief Kuhn stated staff for the City of Olmos Park was reduced two years ago. He noted that the City of Terrell Hills had been trying to add personnel. He stated private ambulance companies are offering competitive salaries for individuals without any fire fighter experience. He commented tenure is decreasing everywhere and hoping that tonight's action would retain and attract Firefighters.

Councilmember Jessee commented the construction industry is experiencing the similar situation. He asked the frequency that all eight Firefighters are sent out.

Fire Chief Kuhn responded that typically two guys each from the EMS and Fire Departments will go out on an EMS call. He stated the number of personnel were carefully reviewed over a three-year period and noted that 10% of the time, there was full staffing to include eight personnel on duty. He informed Council that the tri-cities work well together. Fire Chief Kuhn stated in the past, the department operated at the proposed level for over 20 years until in 2007 when staffing was increased.

Police Chief Pruitt continued with the presentation highlighting the Police Department. He stated the Police Department lost ten officers within the past five years and noted the retention problem is escalating. He stated that within the past two years, the Police Department lost two officers to Bexar County Sheriff Department and one

officer to Travis County Sheriff Department totaling 17 years of experience. He commented that the recruited officers were also sharing benefit information about their new employers through various mediums to attract other officers. He added that recently two officers accepted job offers from the Selma Police Department and commented the officers that were recruited were multi-functional. He shared that five officers had made applications with other police agencies. He commented that if the trend continues, the department may have 10 officers with less than 3 years of experience. He stated he will lose experience at all different levels/positions.

Police Chief Pruitt stated the recruiting challenges for the Police Department are competitive salary, benefits, insurance coverages, signing and "staying" bonuses, lateral transfer program and the evaporating applicant pool. He stated he would like to propose solutions to increase base pay level in the Police Department: 1) eliminate the vacant Assistant Police Chief position and vacant Corporal position in Patrol. He stated the Administrative Sergeant position would be transferred to patrol to fill the vacant Corporal position.

Police Chief Pruitt stated he desired equal pay status for patrol level officers, parity between salaries of ranking police officers and ranking firefighters having comparative supervisory responsibilities. All requested salary adjustments will be made within the budget. He noted there will be no reduction in patrol response, patrol presence, productivity or level of service if proposed reduction and salary increases are made.

Police Chief Pruitt reviewed the proposed salary budget to include impact on the proposed amended salary budget. He stated to offset the impact he would remove the Assistant Chief and Corporal positions. He shared the proposed base salary increases for each respective rank. He stated there is disparity between the ranks and expressed to be in consistent with the Fire department. He noted neither Chiefs of the Police or Fire Department will not be provided a salary increase.

Councilmember Rosenthal asked what percentage of personnel are leaving for monetary.

Police Chief Pruitt stated 75% of resignations are related to monetary and noted there will still be a \$10,000 difference behind the starting salary for a Police Officer beginning in Selma.

A motion for approval was made by Councilmember Rosenthal for salary increases in the Police and Fire Departments and amending the FY2017 budget accordingly. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

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Staff Report

Item # 9 Mayor Cooper read the following caption.

Presentation of Financial and Investment Report for the fourth quarter ending September 30, 2016

Finance Director Robert Galindo made a PowerPoint presentation that summarized the City's financial position. The Financial and Investment Report included General Fund Revenues/Expenditures, Utility Fund Revenues/Expenditures, Capital Projects Fund and an Investment Portfolio Update.

Mr. Galindo presented a Budget to Actual graph for property tax collections for the Maintenance & Operations (M&O) and Interest and Sinking (I&S), year to date since 2011. A graph of the total sales revenues dated 2015-2016 was presented that included street maintenance tax collection. The graph displayed the monthly sales tax collections.


General fund expenditures were categorized by departments and noted at 94% year to date which is within budget. A graph of general fund expenditures was displayed for actual and budget for the fiscal year. Mr. Galindo explained there were transfers and highlighted the expenditures for the trolley stop repair and branding. He stated all departments were within expenditures. Utility fund revenues & expenditures were presented as well as the Capital Projects fund.


An update was provided on the investment portfolio. Mr. Galindo noted \$7M for the investment report as of September 30, 2016. He reminded Council of the Frost Bank and Jefferson Bank pledge securities. He reviewed the investment profolio with market value fluctuations. He summarized the fourth quarter continues to remain strong and positive.

Mr. Galindo thanked department heads in preparing the budget. He noted everyone was helpful.

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There being no further business, a motion was made by Mayor Pro Tem Prassel to adjourn the meeting. The motion was seconded by Councilmember Savage and passed by unanimous vote. Mayor Cooper adjourned the meeting at 6:40 p.m.


Jennifer Reyna
City Secretary


Louis Cooper
Mayor