

CITY OF ALAMO HEIGHTS  
CITY COUNCIL  
March 14, 2016

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

Present and composing a quorum were:

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

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  
City Secretary Jennifer Reyna  
Chief Police Rick Pruitt  
Public Works Director Pat Sullivan

Absent was:

Councilmember Bobby Rosenthal

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Mayor Cooper opened the meeting at 5:32 p.m.

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*Item # 1      Approval of Minutes*

Mayor Cooper asked City Council for any revisions to the minutes of the February 17, 2016, Work Session. A motion was made by Mayor Pro Tem Lynda Billa Burke to approve the minutes of February 17, 2016. The motion was seconded by Councilmember Fred Prassel and passed by unanimous vote.

Mayor Cooper asked City Council for any revisions to the minutes of the February 22, 2016, Council Meeting. A motion was made by Mayor Pro Tem Lynda

Billa Burke to approve the minutes of February 22, 2016. The motion was seconded by Councilmember Fred Prassel and passed by unanimous vote.

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*Item # 2      Announcements*

**a. 2<sup>nd</sup> Annual BBQ Cook-off/Fundraiser for Alamo Heights Volleyball Team, April 2<sup>nd</sup>**

Community Development Services Department Director Jason Lutz informed residents of the second annual BBQ cook-off/fundraiser hosted by the Alamo Heights Volleyball Team beginning on April 2, 2016 at the Alamo Heights Swimming Pool. There will be a BBQ contest.

**b. Cambridge Elementary Balloonfest, April 8<sup>th</sup>**

Mr. Lutz announced the Cambridge Elementary Balloonfest is scheduled for April 8, 2016. The event will begin at 3:00 p.m. until 6:00 p.m. He stated 100 to 500 attendees are expected to attend.

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

Joan Cunningham, resident, requested information on extended time period for parking permits.

Penny Lockhart, resident, requested City's regulations or involvement for landlords specifically not providing heat to their tenant(s) on their property.

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Mayor Cooper announced the television screens were not working; however, encouraged the audience to pick up a copy of the PowerPoint located in the foyer.

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*Items for Individual Consideration*

*Item # 4*      Mayor Cooper read the following caption.

**Resolution No. 2016R - 077**

**A Resolution approving a plan of Finance to Issue a Series of General Obligation Refunding Bonds to Refund Certain Outstanding obligations of the City, and Authorizing the City's Staff and Professional Advisors to Prepare and Distribute all Documents and**

**Take All Actions Deemed Necessary in Connection with Preparing for the Issuance of Such Bonds**

Finance Director Robert Galindo informed Council that Item Nos. 4 and 5 were related to the same request, refunding bonds. He stated Item No. 5 is proposed to refund the 2007 Certificate of Obligation (COs) Bonds for the General Fund and a portion for the Utility Fund. He stated the opportunity exists due to the low interest rates. He introduced Anne Burger Entrekin with First Southwest to provide further explanation.

Ms. Burger Entrekin began her PowerPoint presentation with a market update on the bond buyer index. A chart was displayed and she shared that it is released on a weekly basis on what is occurring in the municipal market. She highlighted the Municipal Market Data (MMD) comparison for the different types of ratings. She reported with the challenges of China, oil prices and other political items that interest rates had further decreased. She explained the Series 2007 COs funded both the General Fund and Utility Fund in one issue to reduce the cost of issuance. She stated the funds were formulated independently but then aggregated for purposes of the bond sale. She reviewed the amortization chart that displayed the combination of tax and revenue for COs.

There are two different ways to consider the refinancing opportunity. Ms. Burger Entrekin commented the refinancing may be level or proportional savings. She explained the differences between those two types and noted proportional savings is at a higher principal. Debt Service Comparisons were reviewed. She briefly explained the tax savings, timing importance for an “advance” or “current” refunding and negative arbitrage related to an advanced refunding and call date. Ms. Burger Entrekin referenced Government Code Section 1207 that allows refunding bonds via a parameter bond sale. The parameters include: 1) Council delegating the final pricing to pricing officers; 2) maximum interest rate; 3) minimum savings threshold for refunding; 4) aggregate principal amount of issue; 5) final maturity date; and 6) expiration of delegated authority. She noted that pricing officers can only approve sale if City Council’s parameters are met. The proposed ordinance defines the parameters that must be met for the pricing officers to proceed with the sale. She stated this is a common way to move forward, lock in savings and provide flexibility. She suggested parameters for Council’s consideration and referenced that the ordinance defines minimal terms.

The following citizens spoke on this matter:

Tom Harmon, resident, inquired on the type of bond being considered as he expressed confusion and commented the type of bond was not clear in the agenda caption. He commented that after viewing the PowerPoint presentation his questions were answered which referenced the COs.

Sylvia Wong, resident, asked if there would be an opportunity to negotiate a lower interest rate if the market crashed within 60-90 days.

Mr. Burger Entrekin responded to Ms. Wong that if action is decided tonight, it will take between 60 and 90 days to make this transaction and a dual process is being considered for a direct placement or a competitive sale. She stated once the transaction is initiated, another opportunity to refinance is not until another call date. She added delegation provides authority to make a decision.

Tom Spurgeon, bond counsel, McCall, Parkhurst & Horton LLP, explained the agenda caption referenced a general obligation refunding bond and the refunding bond is related to the CO's as detailed in the ordinance. He stated the agenda caption is properly stated as it is considering a refunding issue and clarified the 2007 COs are being considered.

Councilmember John Savage asked how the interest rate and risks are obtained related to advance vs. current refunding.

Ms. Burger Entrekin responded to Councilmember Savage that the presentation was made based on the current market rates as of March 8th with projections considered with an additional 25 basis points to allow sufficient market volatility. She stated the advance or current refunding preference depended on the market and parameter sale.

Councilmember Lawson Jessee inquired about the suggested maximum interest rate, 3.50%.

Ms. Burger Entrekin stated the true interest rate is 1.90% and explained the ordinance provides parameters and the market should have several options to capture savings.

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

*Item # 5* Mayor Cooper read the following caption.

**ORDINANCE NO. 2044**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$3,250,000 IN PRINCIPAL AMOUNT OF CITY OF ALAMO HEIGHTS, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016; AUTHORIZING THE SALE THEREOF PURSUANT TO A NEGOTIATED UNDERWRITING, A COMPETITIVE SALE, OR PRIVATE PLACEMENT; APPROVING AND AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND PROCEDURES RELATED THERETO DELEGATING AUTHORITY TO CERTAIN CITY OFFICIALS TO DETERMINE THE METHOD OF SALE, TO APPROVE ALL FINAL TERMS WITH RESPECT TO THE SALE OF**

**THE BONDS, TO SELECT A PAYING  
AGENT/REGISTRAR AND AN ESCROW AGENT AND  
APPROVE RELATED AGREEMENTS, AND TO APPROVE  
OTHER MATTERS; AND CALLING CERTAIN  
OBLIGATIONS FOR REDEMPTION**

Mr. Galindo stated the proposed ordinance provides details of the refunding or sale of the 2007 CO bonds as Ms. Burger Entrekkin referenced.

A motion for approval was made by Councilmember Lawson Jessee. The motion was seconded by Councilmember John Savage and passed by unanimous vote.

*Item # 6* Mayor Cooper read the following caption.

**Presentation of Comprehensive Annual Financial Report for the fiscal year ended September 30, 2015 by Mike Del Toro, Audit Partner for Alonzo, Bacarisse, Irvine and Palmer, P.C. for acceptance for City Council**

Mike Del Toro, Audit Partner for Alonzo Bacarisse Irvine + Palmer P.C. Certified Public Accountant began his PowerPoint presentation of the Comprehensive Annual Financial Report (CAFR).

Mr. Del Toro presented the Comprehensive Annual Financial Report (CAFR). He briefly explained the contents in the CAFR which included: independent auditor's report, management discussion & analysis, government-wide financial statements, fund financial statements, notes to the financial statements, required supplemental information, supplemental combining and individual financial statements and schedules, and statistical tables. Auditors issued an "unmodified opinion" on the CAFR which is the best opinion that can be given for an independent audit.

Mr. Del Toro highlighted financial information. He stated tax revenues increased \$195,000 due to the increase in property values. The City adopted GASB 68, *Accounting and Financial reporting for Pensions* which is a new requirement of the restatement of net position. The restatement reduced governmental activities net position by \$4.4 million and \$549,000 to the business activities. He briefly reviewed the governmental/business-type activities' net positions. The City complied with the Public Funds Investment Act. Mr. Del Toro also highlighted the fund financial statements. The general funds revenues were less than budgeted by \$132,000 due to lower than expected license and permits. General fund expenditures were less than budget by \$559,000 due to unfilled vacancies and turnover in personnel. He stated governmental funds overall fund balance decreased \$1,905,629. Mr. Del Toro explained the different transfers that lead to the amount of the overall general fund balance due to street maintenance, capital projects, and capital replacement. The Capital Projects Fund decreased \$709,000 due to construction expenditures. He noted the CIED monies were assigned and designated for the capital project per Council. A chart was displayed that included the different funds

and fund balances. He stated the general fund unassigned fund balance is approximately five months of average annual expenses and the water fund net position is approximately two months of average annual expenses.

Mr. Del Toro briefly explained the letter on conduct of audit to include accounting policies, accounting estimates, difficulties, misstatements, disagreements, management representations, consultations with other independent accountants, and compliance with the Public Funds Investment Act. He referenced GASB#68 related to pension liability. He reminded Council that water rights were purchased and noted revenues were low due to water consumption. He complimented Finance Director Robert Galindo that the City experienced a smooth transition for a new finance director. He thanked Mr. Browne and Mr. Galindo for their assistance.

There was a brief discussion among Council about the liability of the pension and future.

Mayor Cooper thanked Mr. Del Toro and Mr. Galindo for his efforts and congratulated him on the achievement.

*Item # 7* Mayor Cooper read the following caption.

**Discussion on proposals for Bark Park visitor parking and a new crosswalk on Alamo Heights Boulevard from the little league parking area to the southwest corner of the southbound leg of Alamo Heights Boulevard**

Police Chief Rick Pruitt made a PowerPoint presentation that included background information, maps, photos, and options.

Police Chief Pruitt informed Council of the parking congestion in the 100-200 blocks of Alamo Heights Boulevard and presented two options and the consideration of a crosswalk. Option 1 included the widening of Alamo Heights Boulevard on the east and west side that would provide paved roadway surface for vehicle on-street parking along the west curb line adjacent to the Bark Park. He stated striping would be applied to the roadway surface to push traffic away from the parking area on the west side of the roadway. This option also creates seven 60° angle head-in parking spaces in the right-of-way adjacent to the little league practice field and 10 to 12 parallel parking spaces adjacent to the roadway. City Manager Mark Browne added the Bark Park organization requested boulders to come up to their fence.

Option 2 was presented which improves the right-of-way for visitor parking immediately behind the Bark Park where the Normandy extension is platted. This option provides an area approximately 260' long and 45' deep that could accommodate 22 to 24 vehicles. Police Chief Pruitt stated head-in parking spaces to the wooded area is recommended to avoid accidental collision with the Bark Park fence. This option would also include the seven head-in parking spaces adjacent to the little league practice field.

The parking area would not interfere with the rear gate to allow access to the Bark Park. Maps and costs were presented for both options. He stated other additional costs may include boulders and cutting curbs.

Councilmember Prassel commented there are more cars parked in the back and stated there is no traffic interference with option 2. Council agreed to enhance the rear for parking.

Laurie Saunders, President, Bark Park, expressed support of parking spaces on Normandy to avoid parking conflicts with Bark Park and Little League visitors. She shared there are volunteer organizations that need volunteer hours that may assist with cleaning the north end of Normandy.

Police Chief Pruitt stated alternative parking had been discussed and shared his conversation with Councilmember Rosenthal.

Councilmember Jessee asked if a designer for the parking lot would be hired or conducted in-house.

Mr. Sullivan stated elevations would be conducted to evaluate drainage and noted other areas that are not improved in which drainage information may be useful. He stated he can design the parking lot and present to Mr. Browne. Mr. Sullivan stated the parking lot would be asphalt and stated trees will remain.

Councilmember Prassel supported limestone for option 2. There was a brief discussion among Council regarding crush granite and ADA compliance. Mr. Lutz stated ADA is not applicable because it is on the right-of-way and stated Bark Park had addressed handicap parking spaces in front of the Bark Park. Mr. Sullivan commented that crushed granite is high maintenance and can be messy.

Police Chief Pruitt presented information on the consideration of a crosswalk from the little league parking area to the southwest corner of Alamo Heights Boulevard at the southbound leg. He mentioned the challenges this crosswalk location presents in order to meet accessibility standards of the Americans with Disability Act (ADA); however presented an estimated cost.

A motion for approval for Option 2 with modification of crushed granite in lieu of asphalt and to include seven head-in parking spaces was made by Mayor Pro Tem Billa Burke. The motion was seconded by Councilmember Prassel and passed by unanimous vote.

*Item # 8* Mayor Cooper read the following caption.

**ORDINANCE NO. 2045**

**AN ORDINANCE AMENDING CHAPTER 18, TRAFFIC,  
ARTICLE VI, TRAFFIC SCHEDULES, SEC. 18-147,  
SCHEDULE B(2) BY ADDING FOUR-WAY STOP SIGNS  
AT REDWOOD STREET WITH KOKOMO STREET**

Police Chief Pruitt made a PowerPoint presentation that included background information and proposed changes.

Police Chief Pruitt explained the necessity of a stop sign due to limited vision. He presented a photo that displayed the configuration of the intersection. He stated letters were sent to all residents on Redwood Street and Kokomo Street regarding the proposed stop signs. Staff received 12 responses in support and noted they were residents that lived on Redwood.

A motion for approval was made by Councilmember John Savage. The motion was seconded by Councilmember Lawson Jessee and passed by unanimous vote.

*Item # 9* Mayor Cooper read the following caption.

**Discussion and possible action concerning fees for Emergency Medical Services**

Fire Chief Buddy made a PowerPoint presentation that included background information.

Fire Chief Kuhn stated this is presented and considered on an annual basis. He stated surrounding cities participated in the fee survey excluding the City of New Braunfels. He explained the City of Schertz' rate is higher due to an enterprise fund and they are self-supportive. He reported the City of San Antonio raised their fees twice in the last two fiscal years. Fire Chief Kuhn stated the last fee increase was August 23, 2010. He reported FY 2014 and 2015 calls for service and identified how many were billable. Fire Chief Kuhn referenced the average on a chart with Alamo Heights and surrounding cities service rates. Schertz EMS is doing well in collection for the City of Alamo Heights. Fire Chief Kuhn presented proposed rate increases and explained the financial impact.

Mayor Cooper asked if the non-resident fee may be increased. Fire Chief Kuhn stated that category may be increased and shared the non-resident fee offsets the tax base for residents.

Councilmember Jessee asked the amount of revenue that was collected last year.

Fire Chief Kuhn responded \$252,000 was collected last year. He explained mandated, contractual allowances, reimbursement, and the billing process. He reminded Council of the partnership with the tri-cities for the interlocal agreement.

Mayor Cooper recommended the City to increase EMS fees as proposed to maintain excellent services including raising mileage to \$15 per mile, BLS to \$800 and ALS 1 to \$900. All other fees remain unchanged.

Fire Chief Kuhn stated he'll observe the impact the increased fees will have and will return for consideration if an adjustment is needed.

A motion for approval was made by Councilmember Prassel to raise fees as recommended by Fire Chief Kuhn. The motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

*Item # 10* Mayor Cooper read the following caption.

**ORDINANCE NO. 2046**

**AN ORDINANCE APPROVING AND AUTHORIZING THE CITY MANAGER TO RENEW AND EXECUTE AN AGREEMENT FOR LEGAL SERVICES APPOINTING MICHAEL S. BRENAN AS CITY ATTORNEY FOR THE CITY**

City Manager Mark Browne made a PowerPoint presentation that included background information.

Mr. Browne provided professional background for City Attorney Mike Brenan. He noted the agreement is budgeted and there is no financial increase. He commented that it has been great to work with Mr. Brenan as he has provided professional services and advice when sought. Mr. Browne expressed his appreciation to Mr. Brenan.

Mayor Cooper thanked Mr. Brenan for all his work.

A motion for approval was made by Councilmember Savage. The motion was seconded by Councilmember Prassel and passed by unanimous vote.

*Item # 11* Mayor Cooper read the following caption.

**ORDINANCE NO. 2047**

**AN ORDINANCE DECLARING UNOPPOSED CANDIDATES IN THE MAY 7, 2016 GENERAL ELECTION, ELECTED TO OFFICE; CANCELING THE ELECTION; AND PROVIDING AN EFFECTIVE DATE**

City Secretary Jennifer Reyna made a PowerPoint presentation that included background information of the cancellation of the general election.

Ms. Reyna informed Council that due to unopposed candidates the May 7, 2016 General Election is cancelled. She stated only the incumbents filed and will serve another two year term beginning May 23, 2016. Council congratulated Councilmembers Fred Prassel, Place 3; Lynda Billa Burke, Place 4; and John Savage, Place 5.

Ms. Reyna informed Council that City Hall will not be a site for any May elections because there will be no measures, propositions or candidates to be further considered for the City, Alamo Heights Independent School District and Bexar County.

A motion for approval to cancel the May 7, 2016 General Election was made by Councilmember Jessee. The motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

*Item # 12* Mayor Cooper read the following caption.

**Resolution No. 2016R - 078**

**A Resolution approving an Ad Hoc Committee to review and possibly make recommendations for revisions to the zoning code pertaining to multi-family and commercial structures in the City**

Community Development Services Department Director Jason Lutz made a PowerPoint presentation that included background information.

Mr. Lutz stated due to changes in the status of some of the committee members, the ad-hoc committee membership needed to be adjusted. He stated the ad-hoc committee shall select a Chairman, a quorum of the committee shall be four members, and adhere to the Open Meetings Act. Mr. Lutz presented the members of the ad-hoc Committee: Bill Kiel, John Grable, Tiffany Robinson Long, Richard Garison, Al Honigblum, Mike McGlone, Jim Taylor and Jeff Sheick as an Alternate. The ad-hoc committee's goals, meeting schedule, and budget were briefly presented.

Mr. Kiel asked if minutes will be produced since the committee will adhere to the Open Meetings Act.

Mr. Lutz responded to Mr. Kiel that the meetings will be videotaped and minutes will be produced.

A motion for approval was made by Councilmember Prassel. The motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

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Mayor Pro Tem Billa Burke announced that the drainage concerns on Loveta had been addressed and thanked Public Works Director Pat Sullivan and his department for their hard work.

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There being no further business, a motion was made by Councilmember Prassel to adjourn the meeting. The motion was seconded by Councilmember Savage and passed by unanimous vote. Mayor Cooper adjourned the meeting at 7:38 p.m.

  
Jennifer Reyna  
City Secretary

  
Louis Cooper  
Mayor