

CITY OF ALAMO HEIGHTS
CITY COUNCIL
July 12, 2023

A Special City Council Meeting and Work Session 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 8:30 a.m. on Wednesday, July 12, 2023. A teleconference was held via Zoom.

Present and composing a quorum were:

Mayor Bobby Rosenthal
Councilmember Lawson Jessee
Councilmember Karl P. Baker
Councilmember Lynda Billa Burke
Councilmember John Savage

Also attending were:

City Manager Buddy Kuhn
Assistant City Manager Phil Laney
Assistant to City Manager Jennifer Reyna
City Secretary Elsa T. Robles
Director of Finance Robert Galindo
Community Development Services Director Lety Hernandez
Human Resources Manager Brenda Jimenez
Police Chief Rick Pruitt
Fire Chief Michael Gdovin
Public Works Director Pat Sullivan
Deputy Police Chief Cindy Pruitt

Absent was:

Mayor Pro Tem Blake M. Bonner

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Mayor Bobby Rosenthal opened the meeting 8:35 a.m.

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Item # 1 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 895F, request of David Varga of Iconic Development, LLC, applicant, representing Stephanie Hagee, owner, for the significance review of the existing main structure and compatibility review of the proposed design located at 525 Argo Ave in order to demolish 48% of the existing street-facing elevation and 53.6% of the existing main structure's roof in order to remodel and add to the rear of the existing single-family residence

Community Development Director Lety Hernandez stated the Single-Family B zoned property is located at 525 Argo Ave, on the north side between Greely St. and Alamo Heights Blvd. The applicant requests approval to demolish 48% of the existing street-facing elevation and 53.6% of the existing main structure's roof in order to remodel and add to the rear of the existing single-family residence.

Ms. Hernandez stated a significance review was triggered due to the removal/encapsulation of more than 25% of the street-facing elevations – 48% and removal/encapsulation of more than 50% percent of the framed structure of all exterior walls and/or roofs – 53.6% of roof. The compatibility review is required due to the amount of total or substantial destruction of the structure or portion thereof.

The project was reviewed by the Board of Adjustment (BOA) on June 07, 2023 where they approved four (4) variances: 3ft side yard setback to main structure instead of minimum 6ft, 3ft 8-inch looming encroachment instead of maximum 6ft based on 3ft side yard setback, 2ft 6-inch side yard setback to eave/overhang instead of minimum 5ft and lot coverage of 42.96% instead of maximum 40%.

Ms. Hernandez reviewed pictures of existing conditions, existing/proposed site plans, proposed roof demolition plan, and proposed elevations. The proposed height is 15ft 10in of the 28ft max allowed. It will consist of wood siding and shingle roof. Applicant proposes to match exterior finish materials to existing. She stated there is an existing accessory structure where they propose to add a carport. Lot coverage will increase from 28.7% to 42.96%. Regarding the floor to area ratio, applicant is allowed .50 with bonuses due to the preservation of the main structure and one-story accessory structure. This is an increase from .236 to .386. Ms. Hernandez reviewed proposed renderings.

The Architectural Review Board (ARB) considered the request at a special meeting on June 27, 2023. They voted unanimously to declare the existing main structure as not significant, recommended approval of the demolition as requested and proposed design as compatible. Staff completed the project plan review process.

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 no responses in support or in opposition.

Councilmember Lawson Jessee moved to approve ARB Case No. 895F as presented. The motion was seconded by Councilmember Lynda Billa Burke and passed by 4-0 vote.

Item # 2 Mayor Rosenthal read the following caption.

ORDINANCE NO. 2206

AN ORDINANCE AMENDING THE CAPITAL REPLACEMENT FUND BUDGET FOR \$58,738 TO FUND THE REPLACEMENT OF A POLICE VEHICLE AND REQUIRED EQUIPMENT

Finance Director Robert Galindo stated this was a budget amendment request for the Capital Replacement Fund in the amount of \$58,738 to replace an existing police vehicle. The vehicle was scheduled for replacement in 2024; however, due to rising costs to replace vehicles, staff is requesting to purchase the vehicle in 2023. This will be a cost savings of approximately \$4,000.

Mr. Galindo advised the proposed amendment complies with paying for capital equipment on a “pay as you go” method through the Capital Replacement Fund. He clarified the current available Capital Replacement Fund balance is \$660,000, not \$1,442,564 as stated in the presentation. This is because a prepayment for an approved fire truck is included in the total balance of \$1,442,564. There are sufficient funds available to purchase the proposed police vehicle for \$58,738 and avoid a price increase in 2024. The police vehicle being replaced will be repurposed for a School Resource Officer (SRO).

Councilmember Billa Burke moved to approve Ordinance No. 2206 as presented. The motion was seconded by Councilmember John Savage and passed by 4-0 vote.

Item # 3 Mayor Rosenthal read the following caption.

Discussion of FY 2023/2024 Budget

City Manager Buddy Kuhn welcomed Council and stated he and staff had worked carefully after the Strategic Action Plan (SAP) workshop to incorporate Council’s ideas/suggestions and put together a FY 2023-2024 Budget presentation. At the end of the presentation there will be a list or “cafeteria plan” for Council to review and consider.

Mr. Kuhn stated the proposed budget was developed to be consistent with the established mission, vision, and goals of the City of Alamo Heights; provide a fiscal plan to accomplish high priority action steps presented to the City Council in the 2023-2024 Strategic Action Plan; allocate resources by City departments to provide excellent municipal services to citizens and visitors; and highlight how the allocation of City financial, human and capital resources are targeted to achieve the City’s established mission, vision and goals.

Mr. Kuhn reviewed personnel expenses included in the FY 2023-2024 Proposed Budget. As every year, staff met with Councilmember Savage to discuss a possible cost of living adjustment (COLA) due to ongoing inflation. After discussing feasible options, a proposed 4% COLA was built into the budget for all employees except for the City Manager (a contract position). The COLA is to maintain current staff and recruit new staff. The proposed 4% is an approximate cost of \$320,000. Mr. Kuhn advised the City, along with several other communities, participate in the Werling Pay Study that compares pay rates for each position. The study also compares and provides information on previously adopted COLAs in these communities.

Mr. Kuhn stated Councilmember Savage asked staff to include additional COLA options for Council to consider. These were: 4.5% COLA - \$360,000 total cost and 5.0% COLA - \$400,000 total cost. The pay study anticipated a COLA of 3.19% for the coming fiscal year. Other cities are forecasting to go as high as 6%.

Mr. Kuhn stated staff had not received insurance costs; however, this year a 15% increase to health insurance is included in the budget, for a total of \$23,546. He noted last year the City got a “rate pass”; however, he did not think that would be the case this year.

Councilmember Savage referred to the current Consumer Price Index (CPI) which doesn’t include food and fuel. He was concerned last year’s COLA had not covered the full inflation impact felt by employees. Additionally, he reminded Council the City gained \$900,000

in investments this year that could be used towards personnel. Council briefly discussed potential insurance increases and overall cost.

Mr. Kuhn reviewed the ARPA Funds. As discussed during the SAP workshop, a total of \$1.5 million is available. The funds must be allocated by Dec. 31, 2024 and spent by Dec. 31, 2026. He noted funds can be used for general government services including administration, public health, infrastructure for water/sewer, broadband infrastructure, police vehicles, fire trucks, solid waste trucks and possibly beautification. Mr. Kuhn consulted with the City Attorney to verify if funds could be used for beautification under these guidelines. Mr. Kuhn advised federal legislators are considering a claw back of unspent ARPA funds and encouraged Council to allocate the funds soon to avoid losing them.

The proposed Utility Fund Budget for FY 2023-2024 includes: \$1,685,000 for TCEQ Compliance of 4 X 2 water service. Phase 1 - \$1,500,000 for water main install along Claywell, E Oakview, E Edgewood & half of Elmview and Phase 2 - \$185,000 for connection from water mains to edge of ROW (Phase 2) on Wildrose, Cloverleaf & Rosemary. Overhaul of Well #5 - \$160,000 and Lower Broadway (water/sewer replacement engineering) - \$130,000.

Mr. Kuhn explained he and Finance Director Robert Galindo would soon meet with Willdan who was acquired to do a water study in the city. New meters were installed to test potential water loss. Staff will present Willdan's findings after the study is complete and may propose possible rate increases. Mr. Kuhn mentioned Council could consider applying part of the ARPA funds to cover expenses for the TCEQ Compliance project rather than increase rates too much, but he warned, they would have to look at increasing water rates to maintain a healthy city fund.

Mr. Kuhn discussed future funding priorities for the lower Broadway Improvement Project in FY 2023-2024. Future transfers for engineering, design fees and landscaping are pending. He shared there were rumors the project is ready to start soon. After contacting TxDOT, nothing has been determined and they have not provided a final cost estimate for the project.

Mr. Galindo reviewed fund statements for the General Fund. Total revenue, including transfers, for FY 2023-2024 are projected to be \$12,445,155 representing a 4% increase from the current year adopted budget. The Proposed General Fund Operating Budget will produce \$93,602 in net revenue after expenditures. Revenues are mostly composed of 54% in Property Tax, 14% in Sales Tax, 6% in Permits and Fees, 8% in Charges for Services, 2% in Fines and Forfeitures, 6% in Other Tax Revenue such as franchise fees the City receives from telecom companies.

Mr. Galindo explained the Bexar Appraisal District valuation for Alamo Heights 2023 net taxable value anticipated is \$2,391,999,829, an increase of 9% over 2022. This is at 80% of properties not under protest as of July 7, 2023. About 54% of the City's 2023-2024 General Fund revenue is from property taxes. Alamo Heights has one of the lowest tax rates in the larger metropolitan area. He stated staff will not know officially until July 25th when the final tax roll is provided. Mr. Galindo reminded Council the State of Texas put a cap of 3.5% max on tax rates; however, if Council elects to adopt a higher tax rate, it would trigger an election for voter approval.

Mr. Galindo stated there has been a steady increase in property values from 2009 to 2022 and review the 2022 Property Tax Rates per \$100.

Current 2022 Tax Rate	\$0.388051
No New Revenue Tax Rate	\$0.378140
No New Revenue M&O Tax Rate	\$0.315026
Voter Approval Tax Rate	\$0.410231

Mr. Galindo noted these were the 2022 property tax rates and reiterated the certified valuation for 2023 will be available by July 25th. He stated staff would review the 2023 tax valuation and work on keeping the tax rate as low as possible.

In comparison to other surrounding cities, Alamo Heights has one of the lowest tax rates with \$0.38 per \$100.00. Mr. Galindo stated the City strives to keep rates as low as possible while still providing needed services to residents and businesses. Last year, the City was able to reduce the rate from \$0.40 to \$0.38. He reviewed a sample property tax statement for 2023 for an average taxable home value as of 2022 in Alamo Heights under the age of 65. The highest taxing unit being Alamo Heights ISD.

Council briefly discussed the proposed change in state homestead exemptions and how this would affect residents. Mr. Galindo explained the state is considering an increase to \$100,000.00 in homestead exemptions specifically pertaining to school taxes; however, if passed by voter approval in November, this would take effect next fiscal year.

Mr. Galindo stated Bexar Appraisal District estimates 855 property owners will qualify for the property tax freeze in the 2023 tax year an increase of 13 from last year. Properties qualifying for the tax freeze decreased the total taxable value by \$679,873,104. This is an approximate loss in property tax revenue of \$843,804 for FY 2023-2024 as a result of the approved property tax freeze.

Mr. Galindo stated if the City considered adding a 10% homestead exemption, it would increase the loss of property tax revenue by \$366,000 or about \$1.2M loss in property tax revenue. He stated if Council chose to adopt a 10% homestead exemption, it would be difficult to repeal in the future. Council deliberated on different options to calculate homestead exemptions and pros/cons of adopting one. Mr. Kuhn noted it was too late to approve for this year; however, advised Council could discuss this option during next year's Strategic Action Plan workshop if they wished to pursue. Mr. Galindo added, in the meantime, staff would study this further.

Sales tax revenue is the second largest source of revenue for the City. Year to date revenue is \$1,873,499 or 8% over 2022 revenue during the same time. The City's current sales tax rate is 8.25 percent which includes one-half (.50) of a cent for street maintenance. The re-authorization of the street maintenance dedicated ½ cent sales tax and was re-authorized by voters in the May 2021 ballot. It is to be re-authorized by voters every 4 years. The next election will be in 2025. The total sales tax projection for FY2023-2024 is \$2,606,434. Of that, \$1,737,622 will go towards the General Fund and \$868,811 will go towards the Street Maintenance Fund. General Fund sales tax collection represents 14 percent of the total General Fund revenue. FY 2024 Budget is 2% increase from current budget. Mr. Kuhn added sales tax revenue has flattened out in the last four months, possibly due to recent interest rate hikes.

The Proposed General Fund departmental allocation for FY 2023-2024 is \$12,351,553 representing an increase of \$459,372 which is 3.9% from the current year's adopted budget. There is a 4% COLA included to maintain and recruit staff. The approximate cost is \$320,000. Additionally, staff has met with the Alamo Heights ISD regarding possible additional School Resource Officer positions.

Mr. Galindo broke down the proposed FY 2023-2024 General Fund Departmental allocations. Police/Dispatch - 32%, Fire/EMS - 27%, Public Works - 18%, Administration/Finance - 17%, Community Development - 4%, Administrative City Hall Bldg. - 2%, for a Total Budget Percentage of 100%. The proposed General Fund total for FY 2023-2024 is \$12,351,553, a 3.9% increase from FY 2022-2023. The Police department budget includes the addition of 2 SRO positions for a total of 3 SRO positions.

The proposed FY2023-2024 transfers from the General Fund include: \$25,816 to the Capital Replacement Fund for Body Worn Cameras; \$25,000 to the Capital Projects Fund for the Olmos Basin maintenance; \$60,000 to Capital Replacement for a future ambulance, a total cost of \$110,816. The Street Maintenance Fund will be determined next year.

Mr. Galindo reviewed projected General Fund Revenue allocations for FY 2023 and proposed for FY 2024. The beginning fund balance in FY 2022-2023 was \$6,227,944. Staff is anticipating \$8,406,314 for FY 2023-2024. The Government Finance Officers Association (GFOA) recommends at least a 25% Fund Balance of the General Fund operating budget. The General Fund had a fund balance of 57% at the end of September 30, 2022. The fund balance allows the city to withstand any unforeseen disasters and emergencies. It also saves thousands of dollars in interest costs if the city issues bonds because the city has a AAA rating from S&P mainly due to the city's fund balance being in good standing, the stable economy and strong management.

Mr. Galindo noted the total City authorized positions for FY 2022-2023 were 103 and remain the same for FY 2023-2024 with possible considerations to add additional SROs.

The FY 2022-2023 Utility Fund balance was \$3,001,697 and the projected FY 2023-2024 balance is \$3,194,241. The beginning balance estimate for FY 2023-2024 is \$1,649,737; \$3,194,241 minus transfer in from Equity Balance of \$1,555,000 = \$1,639,241.

Mr. Galindo reviewed the other governmental funds for FY 2022-2023.

- The Comprehensive Plan beginning balance was \$440,636 and projected ending balance is \$353,890 after expenses of \$122,896 for underbrush cleaning at the AH Bike Park and community grants combined.
- The Street Maintenance beginning balance was \$606,323. Additionally, \$852,062 collected in ½ cent sales tax revenue, this leaves a projected ending balance of \$560,789 after expenditures of \$897,596.
- The Capital Projects beginning balance was \$14,668,140 which includes the taxable bonds issued the prior year. The fund also includes a \$25,000 transfer in for the Olmos Basin clean-up. The projected ending balance is \$14,638,468 after expenditures of \$54,672 for Architectural and engineering fees for the Lower Broadway Improvement Project.

- The Capital Replacement fund beginning balance was \$659,980 and includes a General Fund transfer in of \$60,000. The projected ending fund balance is \$613,487 after expenditures of \$106,493 for Police vehicle equipment - \$6,160 and PW Replacement truck - \$41,595.

Mr. Galindo reviewed the proposed governmental funds for FY 2023-2024 starting on October 1, 2023 and ending September 30, 2024.

- The Comprehensive Plan projected beginning balance is \$353,890 and projected ending balance is \$353,890. This includes \$25,000 for community grant programs.
- The Street Maintenance projected beginning balance is \$560,789. This includes \$868,811 to be collected in ½ cent sales tax revenue. The projected ending balance is \$429,600 after \$1,000,000 in expenditures.
- The Capital Projects projected beginning balance is \$14,638,468 which includes the 2021 taxable bonds. The fund also includes a \$25,000 transfer in for the Olmos Basin clean-up. The projected ending balance is \$14,638,468 after expenditures of \$25,000 for the Olmos Basin clean-up.
- The Capital Replacement projected beginning fund balance is \$613,487. It includes \$60,000 in revenue transfers from the General Fund. The projected ending fund balance is \$647,671 after expenses of \$25,816 for expenses for body worn cameras for AHPD.

Mr. Galindo stated, the overall projected balance in the General Fund Operating Revenues for FY 2023 is \$13,022,846. Expenses are expected to be \$10,454,105. He noted a transfer in was included in the amount of \$900,000 for street maintenance and capital replacement. The remaining General Fund balance would be \$1,668,741 at the end of the fiscal year. Other available fund balances available for SAP projects in FY 2024 are: Comprehensive Fund (includes \$200K Centennial art earmark) - \$332,847 and ARPA Funds (with interest) - \$1,569,719 for a total of available combined balance of \$3,571,307 for projects. Council commented this was higher than anticipated. Mr. Galindo noted this included interest earned on investments.

Police Chief Rick Pruitt discussed the proposed addition of 3 SRO positions. He stated the 88th Regular Session of the Texas Legislature passed House Bill 3 requiring full time security on every public school campus by September 1, 2023, an impossible feat. Police Chief Pruitt stated other local school districts are also short staff. This new law will affect other campuses in AHISD: Woodridge Elementary, Howard Elementary and Robbins Alternative School. Currently, an AHPD SRO covers Woodridge Elementary, Howard Elementary, and Cambridge Elementary.

Under the current agreement, security for all campuses outside the jurisdictional limits of Alamo Heights are funded 100% by the AHISD. Options afforded to ISDs by House Bill 3 are school resource officers, Level II or Level III security guards, a school marshal or qualified school district employee. AHISD board of trustees may claim a good cause exemption if the ISD is unable to comply due to availability of funding or personnel who qualify to serve as a security officer.

The City Manager and Police Chief met with the AHISD Superintendent to discuss the following options:

Resource	H.B. 3 Cost	Equip *	Total Inc.	COAH FY24 Update	Total ISD Projection
3 f/t SROs (100%) (\$96,269 ea)	\$288,807	\$45,072	\$333,879	2 x 75% - \$144,404 1 x 100% - \$96,269	\$574,552
3 p/t SRO's (100%) (\$68,389 w/benefits)	\$205,167	\$45,072	\$250,239	2 x 75% - \$144,404 1 x 100% - \$96,269	\$490,912
3 p/t SRO's (100%) (\$43,358 w/o benefits)	\$130,174	\$45,072	\$175,146	2 x 75% - \$144,404 1 x 100% - \$96,269	\$415,819
* Equipment - \$15,024 ea					

Police Chief Pruitt stated the option to hire private security guards was not explored. This would be done through the AHISD. He stated staff encouraged the AHISD Superintendent to file a good cause exemption due to lack of availability for funding or finding personnel who qualify to serve as SROs. AHPD will continue to assist the schools as normal. Police Chief Pruitt advised Robbins Alternative School is not currently covered, but suggested to use the SRO at the Junior High to help for a couple of hours each day until there is a better solution.

Councilmember Jessee stated AHISD should budget to purchase additional SRO vehicles if they desired more on campus. Police Chief Pruitt advised the Superintendent was against purchasing any vehicles.

Mr. Kuhn added this was part of the conversation they had with the ISD. The ISD would be responsible to pay 100% for any additional police vehicles. He acknowledged the budget may change if the AHID Trustees decide they want AHPD SROs, but the cost is offset. He stated staff wanted Council to be aware of ongoing discussions with the ISD regarding the need for SROs.

Police Chief Pruitt noted the city's cost for this FY is \$48,134.00 regardless of the options discussed. Council briefly talked about the possibility of the AHISD having their own police department.

Mr. Kuhn reported on a pedestrian crosswalk initiative at 6500 Broadway. He stated Assistant City Manager Phillip Laney and Public Works Director Patrick Sullivan worked on putting some ideas together to present to Council. After speaking with the City Engineer Freese and Nichols, they recommend a mid-block crosswalk near Rosemary or Cloverleaf with an estimated cost of \$250,000+. They recommend an "area of refuge" in middle. Mr. Kuhn stated there's not a lot of right-of-way to be able to do this, so it would entail roadway/curb realignment. Councilmember Jessee suggested installing a red light instead and do away with the "area of refuge". Mr. Kuhn advised staff would confirm with the engineer if this was feasible.

Councilmember Karl Baker questioned why the proposed crosswalk location was mid-block instead of at an intersection. Mr. Laney stated it was a difficult spot due to many confluences of roads/alleys in this area. He commented the proposed location was only a suggestion. He

added staff had not explored having a traditional traffic light, but wanted to offer Council a perspective.

Mayor Rosenthal stated he didn't know how much cross traffic there is on the streets in this area to justify a traffic light. The idea is to make the area pedestrian friendly. Councilmember Jessee suggested picking a street that makes the most sense and establish a light.

Per Council, the crosswalk initiative was to reduce the distance for pedestrians crossing the street. The project would also address upcoming AHISD improvements in the area. After some discussion, Mr. Kuhn stated this item would be in the summary of projects to consider at the end of the presentation.

Mr. Kuhn stated there was an opportunity for pedestrian improvements and potential pocket park at 5700 Broadway. It was recently discovered the City owes a partial stretch along Broadway from Paloma Blanca up to the bank at Ellwood Avenue. Mr. Kuhn advised the bank approached the City regarding the installation of a sidewalk which they were willing to pay for. Council discussed possible improvements.

Mr. Kuhn reviewed additional beautification ideas as suggested by Council. Staff consulted with TBG Partners for cost estimates on these projects which include architectural fees, engineering fees, construction costs, etc.

- AH Pool parking lot area - \$2,300,000
- AH Blvd/Viesca's corner open space - \$730,000
- AH Blvd/Jones Maltsberger sign marker - \$100,000
- Nature trails/parking lot area - \$1,100,000
- Optimist Lot - \$420,000

Council discussed ideas and costs presented. Mayor Rosenthal requested to include a project for beautification on Broadway where the street expands. He suggested using taxpayer funds wisely to beautify the city for residents and at the same time showcase the city to commuting traffic on Broadway. Councilmember Jessee agreed and stated Council should meet with designers to develop a plan on how to allocate \$3.5M for beautification projects around the city.

Mr. Kuhn reviewed the FY23-24 Proposed Budget Improvement Proposals.

Proposal	Est. Cost	Proposal	Est. Cost
Water Main Installation (4x2)	\$1,500,000	Centennial Art	\$200,000
Body-Worn Cameras*	130,000	AH Pool Parking Lot – Upper & Lower	2,300,000
Lower BW (Grace-McEwan* & WGI)	90,000	AH Pool South to Nature Trails & Field	1,100,000
Community Grant Funding	50,000	Viesca @ AH Blvd Corner Open Space	730,000
Wi-Fi Upgrade	45,000	Optimist Lot	420,000
Olmos Basin Cleaning*	25,000	AH Blvd @ Jones Maltsberger Sign	100,000
TxDOT Lower Broadway Project	TBD	Firefly Lights @ Corona & Devine	50,000
Crosswalk – BW @ Rosemary	250,000	Firefly Lights @ Magnolia Heights	50,000
Crosswalk – BW @ Ogden (Lights only)	20,000	Faux Bois Benches – La Jara	16,625
Crosswalk – BW @ Ogden (Full Rebuild)	TBD	Faux Bois Tree @ Olmos & Estes	TBD
Sidewalk – Ellwood to Paloma Blanca	TBD	Mosquito Abatement @ Pool/Parks	8,250
Curb Replacement	TBD	Pocket Park @ BW & Ellwood	TBD

Total Estimated Cost - \$7,334,875

*Currently included in the General Fund base budget (or lease payment amount for body-worn cameras)

Council deliberated and agreed curb replacement should be part of the Street Maintenance Program (SMP). They discussed proposed improvement ideas and agreed to move forward with the following projects:

- Water Main Installation (4x2) – \$1,500,000 from Utility Fund
- Body-Worn Cameras* – \$130,000 / \$25,000 for 5 years from Capital Replacement
- Lower BW (Grace-McEwan & WGI)* – \$90,000 from General Fund
- Community Grant Funding – \$50,000 from General Fund
- Wi-Fi Upgrade – \$45,000 from General Fund
- Olmos Basin Cleaning – \$25,000 from \$3.5M (pending cost split w/SARA & COSA)
- TxDOT Lower Broadway Project – TBD
- Crosswalk – BW @ Rosemary – \$250,000
- Crosswalk – BW @ Odgen (Lights only) – TBD
- Crosswalk – BW @ Odgen (Full Rebuild) – TBD
- Sidewalk – Elwood to Paloma Blanca – TBD
- Pocket Park – BW @ Elwood (Paloma Blanca) – \$30,000
- Signs: Centennial Art, etc. – \$200,000
- Firefly Lights @ Corona & Devine – \$50,000
- Faux Bois Tree @ Olmos & Estes Triangle – \$50,000

After some discussion, Council requested to Meet with TBG Partners to discuss:

- *AH Pool Parking Lot – Upper & Lower – \$2,300,000
- *AH Pool South to Nature Trails & Field – \$1,100,000
- *Viesca @ AH Blvd Corner Open Space – \$ 730,000
- *Optimist Lot – \$ 420,000

Council debated potential mosquito abatement. Mr. Kuhn reminded them staff had attempted to address mosquito concerns in the past; however, it wasn't well received. He noted it is difficult to address the root cause of the issue because Alamo Heights is a largely irrigated community with excessive lawn watering and large areas of dense landscaping that exacerbates the mosquito problem. Council decided to remove this from the list for now and asked staff to continue to explore options for mosquito abatement.

Mayor Rosenthal suggested to budget for red striping of fire lanes/curbs. Mr. Kuhn advised staff allocated about \$10,000 in the General Fund for paint which would cover about half of the city.

Councilmember Baker suggested looking at adding a bike lane at Alamo Heights Blvd. Council discussed possible options. Mr. Kuhn stated staff would study this further by doing an "in house" evaluation on safety using the transportation codes for parked cars and added this project could be added for discussion with TBG Partners. Council agreed to set funds aside and engage TBG Partners to create a concept plan for the various projects. Mr. Kuhn stated staff would set up a work session with TBG Partners as requested.

Council discussed the use of ARPA funds on projects. Mr. Kuhn reiterated the government was very specific on what these funds could be spent on. He stated the City Attorney had provide his recommendations and staff had also inquired with the U.S. Treasury on other potential projects. Mr. Kuhn noted the process was not easy, but urged Council to allocate the remaining ARPA funds on legitimate projects before the deadline of Dec. 31, 2024.

Council discussed the recommended COLA for employees. Councilmember Savage proposed a 4.5% COLA for FY 2023-2024. He asked staff to specifically look into the AHPD pay scale to help with retaining and recruiting new staff.

Mr. Kuhn responded this was a problem across the board, not just in the Police Department. All department pay scales were studied and staff found COAH was not that far off. He stated staff had explored a 5% COLA, but advised the City was not in a position to afford that at this time.

Councilmember Savage stated he did not want to get too far behind on pay as compared to other cities. Mr. Kuhn shared the City had gotten behind several years ago and had to cut six positions through attrition (Fire cut 4 & Police cut 2) to make up for salary increases across the board. After further discussion, Council agreed to a 4.5% COLA.

Council revisited proposed upcoming projects. Mr. Kuhn suggested a charrette with TBG Partners before October 1st. Councilmember Baker asked to include the Broadway area and Alamo Heights Blvd as discussed earlier. Councilmember Jessee suggested spending \$5,000 or \$10,000 to spruce up lower Broadway by planting trees, etc. Mr. Kuhn advised Council to wait on planting trees that may potentially be removed by TxDOT should the Lower Broadway Project begin. Councilmember Baker suggested staff clean-up and improve the area. Mr. Kuhn agreed and added \$20,000 for improvements in the budget as requested.

In closing, Mr. Kuhn informed Council, on Monday, August 14, 2023, staff will present the Proposed Budget FY 2023-24 and Ad Valorem 2023 Proposed Tax Rate to the City Council and set a Public Hearing for the Proposed Budget. On August 28, 2023, Council will discuss and consider to adopt both the FY 2023-24 Budget and 2023 Ad Valorem Tax Rate. Mr. Kuhn thanked Council for their input and staff for working hard in preparation for the budget work session.

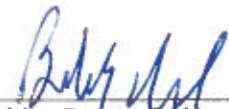
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With no further business to consider, Councilmember Jessee moved to adjourn the meeting at 11:42 a.m. Motion was seconded by Councilmember Billa Burke and passed by 4-0 vote.

PASSED AND APPROVED THIS 14TH DAY OF AUGUST, 2023.


Elsa T. Robles, TRMC
City Secretary




Bobby Rosenthal
Mayor