

CITY OF ALAMO HEIGHTS
CITY COUNCIL
April 12, 2021

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, April 12, 2021. A teleconference was held via Zoom; staff and meeting attendees were welcomed in the Council Chambers entering City Hall via one entrance (rear of City Hall), answering health questions, health screening, wearing a mask and practicing social distancing.

Composing a quorum were:

Mayor Bobby Rosenthal
Mayor Pro Tempore John Savage
Councilmember Lawson Jessee
Councilmember Wes Sharples
Councilmember Blake M. Bonner
Councilmember Lynda Billa Burke – Via Zoom

Also attending were:

City Manager Buddy Kuhn
Assistant City Manager/Community Dev. Services Director Nina Shealey – Via Zoom
City Attorney Frank J. Garza
Assistant to City Manager Jennifer Reyna
City Secretary Elsa T. Robles
Director of Finance Robert Galindo
Human Resources Manager Lori Harris
Police Chief Rick Pruitt
Fire Chief Michael Gdovin – Via Zoom
Deputy Police Chief Cindy Pruitt

Absent was:

Public Works Director Pat Sullivan

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Mayor Bobby Rosenthal opened the meeting at 5:30 p.m.

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Item # 1 Approval of Minutes

Mayor Rosenthal asked City Council for a motion to approve the April 12, 2021 Council Meeting minutes. Councilmember Blake M. Bonner moved to approve the minutes as presented. The motion was seconded by Councilmember Wes Sharples and passed by unanimous vote.

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Item # 2 Announcements

Mayor Rosenthal read the following caption.

a. May 1, 2021 Special Election

City Secretary Elsa T. Robles announced the City of Alamo Heights May 1, 2021 Special Election was less than a month away. The Special Election is to consider the reauthorization of local sales and use tax at the rate of one-half of one percent to continue providing revenue for maintenance and repair of municipal streets. Early voting will start next Monday, April 19th – Tuesday, April 27th, 2021 with Lion’s Field Community Center and Tobin Library being nearby polling sites. On Election Day, May 1, 2021, the Alamo Heights City Hall Council chamber will serve as a polling site. Hours will be from 7:00 a.m. – 7:00 p.m.

b. National Prescription Drug Take Back Day, April 24, 2021

Police Chief Rick Pruitt announced the National Prescription Drug Take Back Day is Saturday, April 24, 2021. He stated it had been a year since any unwanted prescription or over the counter drugs had been collected and anticipated a good turn-out. Anyone interested in participating can drive-thru the back of City Hall and drop off items from 10:00 a.m. to 2:00 p.m.

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Item # 3 Citizens to be heard

No comments made.

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Mayor Rosenthal announced Item #8 would be considered first.

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Items for individual Consideration

Item # 8 Mayor Rosenthal read the following caption.

Presentation of Comprehensive Annual Financial Report for the fiscal year ended September 30, 2020 for acceptance by City Council

Director of Finance Robert Galindo stated the City Charter and State Legislation requires the City to have an annual audit. The audit was completed late March 2021.

Mr. Mike Del Toro, CPA, Partner of ABIP P.C. presented the audit report. He stated after conducting a risk assessment of the City’s major functions, no weaknesses were identified within

the City's processes. An annual financial report would be submitted to the Government Finance Officers Association (GFOA) to be considered for their Certificate of Achievement Award for Excellence. The City of Alamo Heights has received this award for the past twenty-three years.

Mr. Del Toro explained the audited finance report contained several documents, including an introduction, independent auditor's report, management discussion and analysis, government-wide and fund financial statements, notes to the financial statements, required supplementary information, and statistical tables.

The independent auditor's report includes audit standards to follow, a purpose to form an independent opinion on whether the financial statements are presented in accordance with Generally Accepted Accounting Principles (GAAP), and an independent opinion on the financial statements stating the "audit is unmodified". The best opinion an auditor can give for an independent audit, meaning, no modifying statements were included in their opinion letter.

Mr. Del Toro reviewed the management discussion and analysis. This information derives from management and is a highlight of key achievements or elements of the fiscal year and includes budgetary highlights. This helps understand the fiscal year end results for the City. He continued to review the financial highlights which includes a government-wide financial statement. The City's assets exceeded its liabilities by \$20.4 million on September 30, 2020 (\$18.5 million on September 30, 2019). The net position increased to \$1.9 million from 2019 (\$1.6 million in the prior year).

The General Fund balance ended the 2020 fiscal year at \$6.7 million (\$6.5 million in the prior year), an increase of \$271 thousand from 2019. The unassigned fund balance was \$5.7 million (\$5.4 million in 2019) which is approximately 7 months of operating reserve. The Combined Fund balance for all funds was \$8.5 million (\$9.1 million in 2019), a decrease of \$617 thousand from 2019 due to spending on capital projects. The largest project being the City swimming pool renovation.

Mr. Del Toro reviewed the Proprietary Fund including the Water Fund. The Water Fund net position increased by \$472 thousand to \$9.7 million (\$150 thousand to \$9.2 million in 2019). On September 30, 2020, the City had a working capital of \$2 million (\$1.8 million in 2019) for the utility operations; an increase of \$200 thousand from the prior year's working capital ratio. Equivalent to over 7 months operating reserves of working capital.

Mr. Del Toro reiterated a risk assessment was conducted during the audit to review controls and operating procedures of the City. Auditors did not identify any concerns to report. He added it was a good and healthy audit as the City is well managed.

Mayor Rosenthal thanked management and staff for keeping the City in good financial health and asked Council for a motion to approve. Mayor Pro Tem John Savage moved to approve the Comprehensive Annual Financial Report as presented. The motion was seconded by Councilmember Blake M. Bonner and passed by unanimous vote.

Item # 4 Mayor Rosenthal read the following caption.

Public Hearing – Planning and Zoning Case No. 412. A request from property owner to replat the properties currently known as 217 and 225 Oakview E, identified as CB 5011, BLK 20, LOT 18 and CB 5011, BLK 20, LOT 19

Mayor Rosenthal opened the public hearing at 5:44 p.m.

Assistant City Manager/Community Development Services Department Director, Nina Shealey stated the request was a replat of two properties; 217 Oakview and 225 Oakview, into one larger property. The properties are located on the north side of Oakview E between Vanderhoeven and N. New Braunfels and are zoned SF-A.

Ms. Shealey reviewed the existing residence condition and stated the property owners reside in the existing structure built in 2018 on Lot 19. In terms of policy analysis, all utilities were coordinated with CPS, SAWS, and COAH Public Works. Any needed utilities were established. The property meets all the technical requirements of Chapter 17 of the Subdivision Code.

Ms. Shealey stated public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website, mailed, and posted on the property. A legal notice was published in the City's official newspaper, the San Antonio Express News. Two responses were received in support and one in opposition which concerned the construction of the residence and not the replat. The Planning and Zoning Commission reviewed this case at the April 5th regular meeting and recommended approval of the request as submitted.

With no one to speak to this item, Mayor Rosenthal closed the public hearing at 5:47 p.m.

Item # 5 Mayor Rosenthal read the following caption.

Discussion and possible action on Planning and Zoning Case No. 412, a request from property owner to replat the properties currently known as 217 and 225 Oakview E, identified as CB 5011, BLK 20, LOT 18 and CB 5011, BLK 20, LOT 19

Councilmember Bonner requested to review the response cards received from residents within 200 feet. Ms. Shealey informed Council the responses were available in their Dropbox file.

Ms. Shealey explained the property owners wished to use the additional lot as a side yard and were not looking to add on to the existing structure. She added, if the property owners wished to add on later, they would have to apply for a permit and comply with required setbacks and building codes.

After some discussion, Councilmember Sharples moved to approve Planning and Zoning Case No. 412 as presented. The motion was seconded by Councilmember Lawson Jessee and passed by unanimous vote.

Item # 6 Mayor Rosenthal read the following caption.

Discussion and possible action on a professional services agreement to complete an evaluation of the City of Alamo Heights water system for the EPA with Freese & Nichols

City Manager Buddy Kuhn stated this was a direct result from the Flint, Michigan water crisis from several years ago. The request for the approval of a contract service to provide professional assistance in establishing risk, resiliency to that risk, as well as cybersecurity assessment of the City's water system as mandated by the Environment Protection Agency (EPA) and the American Water Infrastructure Act (AWIA).

Mr. Kuhn stated mitigation of identified improvements are going to be prioritized for budget consideration, policy changes, and measure-cost to benefit ratio. The EPA will be notified once the report is concluded showing the City's compliance. This report needs to be updated every five years following the end of 2021.

In terms of policy analysis, the program is intended to focus on the City's need to protect the water infrastructure from those who may do harm or other natural occurring influences.

Mr. Kuhn explained, other cities and the Texas City Management Association (TCMA), discussed how to address this request. Cities considered hiring an engineering firm. COAH staff contacted Freese and Nichols Inc. and Givler Engineering Inc. who submitted bids. The bids were in-line with fees other communities were paying. He clarified that any municipal government servicing 3,300 residents or more are required to submit this report. The lowest bid was from Freese and Nichols Inc. at \$54,425. He added this would be paid from the Enterprise Fund.

Councilmember Bonner moved to approve the professional services agreement with Freese & Nichols to complete an evaluation of the City of Alamo Heights water system for the EPA. The motion was seconded by Mayor Pro Tem Savage and passed by unanimous vote.

Item # 7 Mayor Rosenthal read the following caption.

ORDINANCE NO. 2170

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT FOR AUSTIN HIGHWAY/LOWER BROADWAY IMPROVEMENT PROJECT AND AMENDING THE GENERAL FUND BUDGET FISCAL YEAR 2020-21 FOR \$10,000

Mr. Kuhn reminded Council on March 8, 2021, they selected WGI for engineering services for the Austin Highway/Lower Broadway improvement project. Council authorized the City Manager to negotiate a contract and fees for these services. He stated that on March 12, he, Public Works Director Pat Sullivan, and Councilmember Jessee had met with WGI. During the meeting, they agreed, because the project timeline was five years or more, it would be difficult to

negotiate a lump sum agreement at this time. It was decided to negotiate in phases in conjunction with fiscal budget years, it would be more equitable for actual hours worked.

Mr. Kuhn stated other components, such as water and sewer design and structural evaluation of the existing underground storm culverts, would be separate work authorizations. If approved, the current proposal would run from April 12, 2021 – September 30, 2021. The phases will allow City Council to budget annual expenses. The project will be spread out over several years and will be an annual SAP item. Early phases will have higher fees due to workload and coordination with all funding partners. He noted a lot of work and coordination occurred between all entities involved in the project.

In reference to policy analysis, it is consistent with City practices to negotiate fees for professional services. Under the Professional Services Act, the selection on the Engineering must be based on the basis of demonstrated competence and qualifications. Mr. Kuhn added the City Attorney reviewed and approved the proposed agreement.

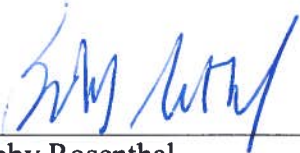
Mr. Kuhn stated \$75,000 was earmarked in the FY 21 budget for engineering services. He added Phase 1 is projected to be \$85,000 through September 30, 2021. Staff is requesting Council to authorize a \$10,000 budget amendment in the current year as a “not to exceed” for Phase 1. Additional work authorizations will be forthcoming for other phases of the project. He concluded his presentation and stated Mr. Jeremy Doege of WGI was present and available for questions.

Mayor Rosenthal thanked Councilmember Jessee for taking the lead on this project and asked Council for a motion. Councilmember Jessee moved to approve authorizing the City Manager to execute a professional services agreement for the Austin Highway/lower Broadway road improvement project with the engineering firm of WGI and issue Work Authorization #1 not to exceed amount of \$85,000 and authorizing a budget amendment of \$10,000 to the current FY 21 budget for work authorization #1 for engineering services. The motion was seconded by Councilmember Lynda Billa Burke and passed by unanimous vote.

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With no further business to consider, Councilmember Bonner moved to adjourn the meeting at 6:01 p.m. The motion was seconded by Councilmember Billa Burke and passed by unanimous vote.


Elsa T. Robles, TRMC
City Secretary


Bobby Rosenthal
Mayor

