

CITY OF ALAMO HEIGHTS
CITY COUNCIL
July 25, 2022

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, July 25, 2022. 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 Lawson Jessee – *Arrived at 5:39 p.m.*

Councilmember Blake M. Bonner

Councilmember Wes Sharples

Councilmember Lynda Billa Burke

Councilmember John Savage

Also attending were:

City Manager Buddy Kuhn

Assistant City Manager Phil Laney

City Attorney Richard Lindner

Assistant to City Manager Jennifer Reyna – *Via Zoom*

City Secretary Elsa T. Robles

Director of Finance Robert Galindo

Police Chief Rick Pruitt

Community Development Services Director Lety Hernandez

Fire Deputy Chief Allen Ottmers

Public Works Director Pat Sullivan – *Via Zoom*

Human Resources Manager Brenda Jimenez – *Via Zoom*

Absent:

Fire Chief Michael Gdovin

Deputy Police Chief Cindy Pruitt

* * *

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

* * *

Item # 1 Approval of Minutes

Mayor Bobby Rosenthal asked City Council for a motion on the June 22, 2022 Strategic Action Plan Workshop Meeting minutes. Councilmember Wes Sharples moved to approve the minutes as presented. The motion was seconded by Councilmember Lynda Billa Burke and passed by 4-0 vote.

Mayor Rosenthal asked City Council for a motion on the June 27, 2022 City Council Meeting minutes. Councilmember Sharples moved to approve the minutes as presented. The motion was seconded by Councilmember Billa Burke and passed by 4-0 vote.

Mayor Rosenthal asked City Council for a motion on the July 13, 2022 Budget Workshop/Special Meeting minutes. Councilmember Sharples moved to approve the minutes as presented. The motion was seconded by Councilmember John Savage and passed by 4-0 vote.

* * *

Item # 2 Announcements

Mayor Rosenthal read the following caption.

a. Centennial Harvest Baskets

City Manager Buddy Kuhn made the announcement on behalf of Assistant to City Manager Jennifer Reyna. He stated as part of the Centennial Celebration, free Harvest Baskets will be provided to the first 100 registrants. The baskets will include produce and household essentials. Registration will open via the city’s website on Monday, August 15th. Anyone interested in registering can also contact Ms. Reyna at 210-832-2209. Registration closes Friday, September 16th or when number of registrants has been reached. Staff will deliver baskets during the week of Sept. 26th. The baskets are co-sponsored by Natural Grocers, Alamo Heights Community Garden and the City of Alamo Heights. More information will be available on City’s website, newsletter, and channeled through all social media.

Mayor Rosenthal added he will help staff deliver baskets and asked other Council members to consider doing the same. He requested staff provide an update on the Centennial celebration at the next Council meeting.

* * *

Item # 3 Citizens to be heard

No comments made.

* * *

Mayor Pro Tem Lawson Jessee arrived at 5:39 p.m. and voted for the remainder of the agenda items.

* * *

Items for Individual Consideration

Item # 4 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 878F, request of Ziga Architecture Studio PLLC, applicant, representing Crowe Developments LLC, owner, for the significance review of the existing main structure and compatibility review of the proposed design located at 117 Claywell in order to demolish 100% of the existing residence with accessory structure(s) and construct a new single-family residence with detached carport

Community Development Services Department Director Lety Hernandez stated the Single-Family A property is located at 117 Claywell on the north side, east of Broadway. The applicant requests approval of a compatibility review in order to demolish 100% of the existing residence with accessory structure and construct a new single-family residence with detached carport.

On April 19, 2022, the ARB considered the request and motioned to declare the existing main structure as not significant and recommend approval of the demolition as requested. It was approved unanimously. The motion to recommend approval of the design as compatible was not approved with the following vote: AYE (2), NAY (4).

On April 25, 2022, City Council considered the case and voted to enact the 1st 90-day delay due to the incompatibility of the proposed replacement structure. The project is required to return to Council for reconsideration and further review of revisions.

Ms. Hernandez reviewed the existing conditions and proposed site/roof plans, elevations, and floor/roof plans for the main structure and accessory structure. The proposed main structure elevation is 32ft 6 inches with combination Corten Western Wave metal siding, vertical wood siding, and vertical standing seam metal siding in charcoal color. The proposed roof is standing seam metal with galvalume finish. Applicant made a slight revision to the front of main structure which pushed the main structure back on the west side further back 4 feet. Additional revisions include a balcony on west side of main structure and window revisions. The accessory structure proposed height is 15ft 4in with vertical standing seam metal siding in charcoal color and a standing seam metal, galvalume finish roof.

In terms of policy analysis, Ms. Hernandez noted there were no changes because the balcony revision is exempt from lot coverage and floor to area ratio. The proposed lot coverage is 34.09% under the maximum allowed of 40% in a SF-A zone. The proposed floor area ratio is 47.29%. The applicant is allowed the maximum of 49% due to utilizing bonuses of a one (1) story garage and side or rear street/alley access. Staff found no historical or architectural significance to the existing main structure.

Ms. Hernandez stated City Council has authority to: determine that replacement structure is compatible allowing the demolition to proceed, determine that the replacement structure is not compatible and initiate a 2nd 90-day demolition delay, or continue with a public hearing.

Ms. Hernandez reviewed the current/proposed streetscapes and renderings. 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. The Demolition Delay – Notice posted on property and on City Website after Council enacted the delay. Staff originally received no responses in support and three responses in opposition. No new responses were received after the 90-day delay was enacted.

Mr. Felix Ziga, architect on the project, stated the reason for the plan revisions were in response to suggestions provided by a member of the Architectural Review Board. Some of the suggestions were to soften up the front elevation and work with the window patterns to provide more balance to the structure. A balcony was added to the front elevation to soften up the 2-story element and window were eliminated.

Mr. Patrick Christensen, attorney, stated he was representing his client, Mr. Chris Gillespie who asks Council to consider letting the project move forward. The applicant understands the difference in the architecture, but primarily the second story is the neighbor's focus; however, economically he cannot make it work without the extra square footage. Mr. Christensen asked Council to forgive an additional 90-day delay because the cost is difficult for the developer. He added he was unable to reach out to the neighbors because the previous meeting minutes did not list contact information such as addresses, emails, or phone numbers.

Mayor Rosenthal asked to hear comments from citizens who signed up to speak on this item.

-Mr. Andrew Scott, resident, stated he is opposed to the proposed design and noted it is the same design as before. The design is a massive structure and is not compatible to the neighborhood. He stated the residents were never contacted by the developer. Even though the developer did not have contact information, he could have easily knocked on neighbors' doors. He asked Council to extend an additional 90-day demolition delay and inquired how asbestos would be addressed during the demolition.

Ms. Hernandez advised the State does not regulate the removal of asbestos on single-family residential structures; however, the City does require disposal of a certain manner and are required to keep dust to a minimum during demolition.

-Ms. Donna Balin, resident, asked if the design materials had been changed. Mr. Ziga stated the materials had not changed and noted materials are not part of the building code. Ms. Balin stated the spec house design is still incompatible in comparison to the rest of the neighborhood. She stated there were no efforts to contact the neighbors by the applicant and encouraged Council to enforce a second 90-day delay on this project.

-Ms. Kyndra Carter, resident, stated the applicant did not try to contact the neighbors and was concerned with their lack of empathy or concern. She also shared her concern regarding doing away with the large trees in front of the property and asked them to keep the lush landscape and neighborhood vibe.

Councilmember Billa Burke noted the most important thing that didn't happen was the applicant did not reach out to the neighbors. She asked if the demolition day could be shortened to 60-days vs. 90-days in order to give the applicant time to meet with the neighbors and address their concerns. City Attorney Richard Lindner advised Council could opt to shorten the delay to 60 days.

Council discussed the removal of trees on the property. Ms. Hernandez noted they applicant would not be remove any heritage trees and did not have to replant trees listed as such.

Councilmember Sharples agreed with shortening the demolition delay to 60-days as suggested by Councilmember Billa Burke.

Mr. Lindner reminded Council they could extend an additional 30-days after that if they choose to, but should not exceed 180-days total. He advised if the applicant and neighbors come to a compromise before the 60-days are up, the applicant can come before City Council and propose their new design/plan.

Councilmember Billa Burke moved to approve a 60-day demolition delay for ARB Case No. 878F and requested applicant meet with neighbors to address their concerns. The motion was seconded by Councilmember Blake M. Bonner and passed by unanimous vote.

Item # 5 Mayor Rosenthal read the following caption.

Discussion and possible action to approve the use of American Rescue Plan Act (ARPA) funding for the purchase of a garbage truck, a police vehicle, and city computer servers on approval of the purchase of capital equipment (ARPA funds)

Assistant City Manager Phil Laney stated this item was to proposed the use of American Rescue Plan Act (ARPA) funds for the purchase of two vehicles and computer servers. The city will receive a total of \$2.1M as part of the ARPA funds. Half of the funds were received in August 2021. The other half will be received in August 2022. Staff requests to use these funds to purchase a garbage truck, police vehicle, and city computer servers.

Mr. Laney noted the ARPA was signed into law in March of 2021 and identified specific uses allowed by municipalities. These include: response to COVID 19 - mitigation and prevention, revenue loss, water/sewer and broadband, premium pay for essential workers, government services – administration, police & fire vehicles, solid waste trucks. Currently there is a total of \$1.8 million available from ARPA funds by the end of August. In December 2021, \$301K were approved for essential workers/employee salary payouts during the COVID 19 pandemic. He stated funds must be allocated by December 31, 2024 and spent by December 31, 2026.

Staff asks Council to consider the use of ARPA funds to purchase a Solid Waste Truck – \$200,000, a Police Vehicle – \$51,127, and City Computer Servers – \$ 157,457. Each of these items are up for replacement and has exceeded useful life. The vehicles will continue to be used until they are replaced. These general government service expenditures are now allowed per the U.S. Department of Treasury as published in the final ARPA rules in January 2022.

Mr. Laney reminded Council this item was presented by staff during the July 13th FY2023 Budget Work Session and was coordinated with the City Manager and City Attorney. If approved, the total fiscal impact is \$480,584 and leaves a budget balance of \$1,426,634 in ARPA funds for future council projects.

Councilmember Billa Burke moved to approve the use of ARPA funds as requested. The motion was seconded by Councilmember Sharples and passed by unanimous vote.

Staff Reports

Item # 6 Mayor Rosenthal read the following caption.

Presentation of Financial and Investment Report for the third quarter ending June 30, 2022

Finance Director Robert Galindo presented the second quarter financial and investment report ending June 30, 2022. The report focused on the General Fund Revenues & Expenditures, Utility Fund Revenues & Expenditures, Capital Projects Fund, Investment Portfolio Update, and Summary of City’s Financial Position. The General Fund total revenue ended at \$9.7M, equal to 86% of the budget. Mr. Galindo noted revenues are doing really well. Property tax collections are coming in as budgeted and ended the month of June at \$7.1M for the M&O and I&S Fund. Sales tax collected are about 20% above from the previous year at this time.

Mr. Galindo stated the General Fund expenditures are currently at 67% for the year. There was a positive revenue over expenditures of \$2.2M through the end of June. All the departments continue to do an excellent job to stay within budget.

The Utility Fund total revenues were \$3.3M or 72% of the budget. Total expenditures were \$2.7M or 61% of the budget with revenue over expenses of \$614,856 through June standing in a good financial position.

The Capital Projects Fund beginning fund balance for the fiscal year was \$14,296,550 which includes the proceeds from the 2021 Bond Issuance of \$13,250,000. There are expenditures of \$30,743 for the lower Broadway project and the ending fund balance is \$14,265,808.

Mr. Galindo reviewed the investment portfolio which includes 2% of funds in CDs with Generations FCU and Jefferson Bank, a savings account with Jefferson Bank and several investment pools, a total 96% of the fund. The overall investment portfolio balance is \$28,801,726. The average yield for the investment portfolio was 0.62% and is in line with the 90-Day U.S. Treasury benchmark of 1.07%. He stated the report complies with the investment strategies as established by the City of Alamo Heights Investment Policy and the Public Funds Investment Act (Chapter 2256).

In closing, Mr. Galindo reviewed the 1st Quarter Performance Summary:

PERFORMANCE THROUGH 75% OF BUDGET			
	% of Budget	Current Quarter	YTD Quarter
GENERAL FUND			
Total Revenues	86%	Positive	Positive
Total Expenditures	67%	Positive	Positive
Total Property Tax Collections	96%	Positive	Positive
Sales Tax Revenues	79%	Positive	Positive
ENTERPRISE FUND			
Utility Fund Revenues	72%	Positive	Positive
Utility Fund Expenditures	61%	Positive	Positive

Closed Session

Item # 7 Mayor Rosenthal read the following caption.

Executive Session per Section 551.071 (consultation with attorney) to discuss terms of consultant contract for infrastructure construction.

The City Council of the City of Alamo Heights convened into Executive Session at 6:08 p.m. and reconvened in Open Session at 6:23 p.m. in accordance with the Texas Open Meetings Act, Texas Government Code, *Section §551.071 (Consultation with Attorney)*.

* * *

Open Session

Item # 8 Mayor Rosenthal read the following caption.

Discussion and possible action resulting from Executive Session

No action taken.

* * *

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

PASSED AND APPROVED THIS 8th DAY OF AUGUST, 2022.



Elsa T. Robles, TRMC
City Secretary



Bobby Rosenthal
Mayor

