

CITY OF ALAMO HEIGHTS
CITY COUNCIL
July 26, 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, July 26, 2021. A teleconference was held via Zoom; staff and meeting attendees were welcomed in the Council Chambers.

Composing a quorum were:
Mayor Bobby Rosenthal
Mayor Pro Tempore Lynda Billa Burke
Councilmember Lawson Jessee
Councilmember Blake M. Bonner
Councilmember John Savage

Also attending were:
City Manager Buddy Kuhn
Assistant City Manager Phil Laney
Community Development Services Director Lety Hernandez
Nina Shealey
City Attorney Richard Lindner
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
Public Works Director Pat Sullivan

Absent was:
Councilmember Wes Sharples

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Mayor Bobby Rosenthal opened the meeting at 5:32 p.m.

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Item # 1 Approval of Minutes:

Mayor Rosenthal asked City Council for a motion to approve the June 23, 2021 Strategic Action Plan Workshop Meeting minutes. Councilmember Lawson Jessee moved to approve the minutes as presented. The motion was seconded by Councilmember John Savage and passed by unanimous vote.

Mayor Rosenthal asked City Council for the approval of the June 28, 2021 City Council Meeting minutes. Councilmember Savage moved to approve the minutes as presented. Mayor Pro Tem Lynda Billa Burke seconded the motion and was passed by unanimous vote.

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Item # 2 Citizens to be heard

Resident Margaret Houston complemented the City of Alamo Heights first responders and City staff for their communication efforts and assistance during the February snow storm and recent rains. Ms. Houston added she opposed the reduction of driving lanes on Broadway with the upcoming drainage improvement project on lower Broadway.

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Items for Individual Consideration

Item # 3 Mayor Rosenthal read the following caption.

RESOLUTION NO. 2021-133

A RESOLUTION AMENDING RULES OF PROCEDURE GOVERNING CITY COUNCIL MEETINGS

Assistant City Manager Phil Laney stated the resolution being considered is to amend the rules of procedure governing City Council meetings. The presentation provided the legal authority on conducting public meetings, the existing rules of procedure, and policy changes to be considered.

Mr. Laney provided an overview stating all public meeting are governed by the Texas Open Meetings Act which establishes legal requirements and ensures meetings are transparent, open, and accountable. The City Charter allows the City Council to determine its own rules of procedure to conduct public meetings. Per House Bill 2840 (2019), the City Council may adopt a public testimony policy.

The purpose of rules of procedure is to ensure public meetings conduct City business effectively, members of the public are heard in a fair, impartial, respectful manner; are open to all viewpoints, yet free from abusive, distracting, or intimidating behavior; and decorum is understood by all attendees.

Mr. Laney stated the City of Alamo Heights rules of procedure governing meetings were first adopted in 2006. Since then, they were updated three times. Most recently in December 2010, 11 years ago.

In terms of policy analysis, Mr. Laney identify several proposed changes to the rules of procedure. These included: emergency meeting notification requirements - reducing public notice of an emergency meeting from 2 hours to 1 hour, and the public's right to address the City

Council where “the public” is defined as Alamo Heights citizens and business owners who may speak in “Citizens to Be Heard” or during an agenda item. Additionally, non-citizen guests of City Council members would have special privilege acknowledgement to speak, arranged through the City Secretary.

Mr. Laney noted other suggested updates were to formalize the current process regarding the posting of agenda packets on the City website and defining the appropriate etiquette of audio/visual recording devices. He stated the proposed policy changes were reviewed by the City Manager and City Attorney and posed no fiscal impact to the City.

City Attorney Richard Lindner clarified the proposed policy will define citizens as property owners, residents, tenants, and business owners within the City of Alamo Heights. He stated that cities are updating these policies more readily due to the addition of Zoom meetings and the audience becoming much broader. Mr. Lindner noted that after September 1, 2021, the Council quorum must be present in one room/location, i.e., Council chamber. Other councilmembers not composing the quorum can still participate and vote via Zoom.

Mayor Pro Tem Billa Burke moved to approve Resolution No. 2021-133 amending the rules of procedure governing City Council meetings as presented. The motion was seconded by Councilmember Jesse and passed by unanimous vote.

Item # 4 Mayor Rosenthal read the following caption.

RESOLUTION NO. 2021-134

**A RESOLUTION AWARDED A FIVE-YEAR CONTRACT
FOR BANK DEPOSITORY SERVICES TO FROST BANK**

Director of Finance Robert Galindo stated this was a request for proposals advertised in May 2021 for depository services. Two proposals were received by the due date from Frost Bank and Plains Capital Bank. The proposals were evaluated by experience with bank depository services, customer service, online banking capabilities, and fraud prevention. Other criteria considered was the financial strength of the bank, cost of banking services, and banking services offered.

Mr. Galindo stated he and Assistant to City Manager Jennifer Reyna reviewed and scored both proposals. The decision was made to select Frost Bank who met and exceeded key criteria. Mr. Galindo shared positive experiences with Frost Bank and its representatives.

In terms of policy analysis, the Texas Local Government Code requires public funds to be kept in a city depository. This city depository contract can be up to five years. Mr. Galindo noted it was time for the City to request proposals for depository services.

Mr. Galindo stated the net contract cost with Frost Bank will vary and be competitive because the cost of banking services will be offset by the earnings credit rate earned by the City's bank balance. He noted the average cost per month last year was \$379.00.

Mr. Galindo asked Council to consider the resolution authorizing the City Manager to negotiate and execute a five-year contract agreement with Frost Bank for bank depository services.

Councilmember Jessee moved to approve Resolution No. 2021-134 awarding a five-year contract for Bank Depository Services to Frost Bank. The motion was seconded by Councilmember Blake M. Bonner and passed by unanimous vote.

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Staff Reports

Item # 5 Mayor Rosenthal read the following caption.

**PRESENTATION OF FINANCIAL AND INVESTMENT
REPORT FOR THE THIRD QUARTER ENDING JUNE 30,
2021**

Mr. Galindo presented the 3rd Quarter Financial and Investment Report ending June 30, 2021. The report highlighted the General and Utility fund revenues and expenditures, Capital Projects Fund, Investment Portfolio update, and a summary of the City's financial position.

The General Fund revenues were \$9.3M in revenues or 85% of the City's revenue budget. Mr. Galindo reviewed the property tax collections comparing this year to last year. Current tax revenues are at \$6.7M and sales tax revenues are at \$1.5M as of the end of June 2021. This is an increase of about 5% from June 2020. The General Fund expenditures is currently \$6.9M or 64% of the budget and revenues over expenses are at \$2.4M. He added each department is within budget for the third quarter.

The Utility Fund revenues were 3.2M and expenditures at \$2.1M or 57% of the budget. Mr. Galindo noted a \$250K contingency for sewer that has not been used. Thus far, revenues are outpacing expenses and have a positive net of \$1.1M.

The Capital Projects fund expenditures are at \$54,532 and within budget. It includes a carry-over from the prior year of \$2,000. The majority of funds was the swimming pool restroom renovations.

Mr. Galindo provided the Investment Portfolio breakdown which included 3% invested in Certificates of Deposit (CDs), 90% in Investment Pools, and 7% within Operating Funds at Frost Bank. The current Investment Portfolio balance is \$14.7M. He reviewed the performance measures benchmark and stated interest rates were very low with the 90 Day Treasury at 0.02%. The total return on the investment portfolio was 0.01%.

Other accounts to note were: Savings Account - 0.03%, CDs - 0.02%, Investment Pools - 0.03%, and Operating Pools - 0.00%. Mr. Galindo stated all CDs are within one year of maturity and the report provided is in full compliance 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 Performance Summary for the 3rd Quarter.

PERFORMANCE SUMMARY FOR THE 3rd QUARTER or 75% OF BUDGET			
	% of Budget	Current Quarter	YTD Quarter
GENERAL FUND			
Total Revenues	85%	Positive	Positive
Total Expenditures	64%	Positive	Positive
Total Property Tax Collections	96%	Positive	Positive
Sales Tax Revenues	79%	Positive	Positive
ENTERPRISE FUND			
Utility Fund Revenues	84%	Positive	Positive
Utility Fund Expenditures	57%	Positive	Positive

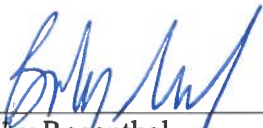
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Before adjourning, City Council and City Manager Buddy Kuhn thanked Ms. Nina Shealey for her service with the City of Alamo Heights.

With no further business to consider, Councilmember Bonner moved to adjourn the meeting at 6:03 p.m. The motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

PASSED AND APPROVED THIS 9TH DAY OF AUGUST, 2021.


 Elsa T. Robles, TRMC
 City Secretary


 Bobby Rosenthal
 Mayor

