CITY OF ALAMO HEIGHTS
CITY COUNCIL
August 10, 2026

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, August 10, 2026. Staff and meeting attendees were welcomed in the Council Chamber.

Composing a quorum were:
Mayor Albert Honigblum
Mayor Pro Tem Lawson Jessee
Councilmember Karl P. Baker
Councilmember Trey Jacobson

Also attending were:
City Manager Buddy Kuhn
Assistant City Manager Phillip Laney
City Attorney Frank J. Garza
City Secretary Elsa T. Robles
Assistant to City Manager Jennifer Reyna
Finance Director Kristine Horton
Police Chief Rick Pruitt
Fire Chief Allen Ottmers
Deputy Police Chief Cindy Pruitt
Public Works Director Frank Orta
Community Development Services Director Lety Hernandez
Community Development Services Senior Planner Tyler Brewer

Not attending:
Councilmember Blake M. Bonner
Councilmember Lynda Billa Burke

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Mayor Albert Honigblum opened the meeting at 5:31 p.m.

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Item # 1 *Approval of Minutes*

Mayor Honigblum asked the City Council for a motion on the July 13, 2026 Council meeting minutes. Mayor Pro Tem Lawson Jessee moved to approve the minutes as presented. The motion was seconded by Councilmember Trey Jacobson and passed by a 3-0 vote.

Mayor Honigblum asked the City Council for a motion on the July 21, 2026 Special Meeting and FY27 Budget Work Session minutes. Mayor Pro Tem Jessee moved to approve the minutes as presented. The motion was seconded by Councilmember Jacobson and passed by a 3-0 vote.

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Item # 2 *Announcements*

Mayor Honigblum read the following caption.

a. 26th Annual Soler Sports Sprint Triathlon, August 15, 2026

Community Development Services Director Lety Hernandez stated the 26th Annual Soler Sports Sprint Triathlon is scheduled for August 15th from 7:00 a.m. to 11:30 a.m. at 250 Viesca Ave (AH Pool). Set up will be the day before at 10:00 a.m.

b. Best Tasting Water in Texas

Public Works Director stated the COAH Utilities competed in the Texas Water Utility Association's competition for "Best Tasing Water in Texas". They qualified for 1st place in Killeen, TX beating out eight other municipalities and took 1st place overall at the State competition in Waco, TX for the best tasting water in Texas for 2026.

c. TCMA Region 8 President, Phillip Laney

City Manager Buddy Kuhn stated he was proud to announce Assistant City Manager Phil Laney is the President of Texas City Managers Association Region 8, for the upcoming year representing 26 counties. The organization is dedicated to providing highest levels of service, integrity and leadership, and the highest ethical standards in city government.

d. Livestreaming Options for Public Meetings

Assistant to City Manager Jennifer Reyna stated she was proud to announce the city is now livestreaming for public meetings via Facebook and YouTube. She added staff would communicate this to residents through the city's newsletter.

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Item # 3 <u>*Citizens to be Heard*</u>

Mr. John Chadwell, resident, stated he was on the Alamo Heights Park Board. He thanked Council and staff for their support and participation to the bike park in getting a fair amount of projects done. He added they are adding an additional gate to the Bark Park to help mitigate some of the traffic problems along Alamo Heights Boulevard. Mr. Chadwell commented on average about 20 and 30 dogs play around at the park and people gather to talk and engage with others. He stated they would be applying for a Community grant for additional projects.

Ms. Laura Lindner, resident, shared concerns with different signage on Elmview and the other high school-adjacent streets regarding parking. She stated she would like these signs to be consistent.

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<u>*Consent Agenda*</u>

Item # 4 Mayor Honigblum asked Council to consider the following consent agenda item.

<u>Architectural Review Board Case No. 1041F</u>, request of Jay Corder, applicant, representing Hank Cavender, owner, for the significance review of the existing main structure and compatibility review of the proposed design located at 530 Corona Ave in order to demolish 100% of the existing structure and construct a new single-family residence.

Councilmember Jacobson moved to approve ARB Case No. 1041F as presented. The motion was seconded by Councilmember Karl P. Baker and passed by a 3-0 vote.

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*****Mayor Pro Tem Jessee requested to move Item #5 under Individual Consideration.*****

Item # 5 **<u>Architectural Review Board Case No. 1042F</u>, request of RIMO Enterprises, LLC, owner, for the compatibility review of the proposed design located at 103 E Elmview Pl in order to construct a new single-family residence.**

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Item # 6 Mayor Honigblum asked Council to consider the following consent agenda item.

<u>Architectural Review Board Case No. 1043F</u>, request of Sean Guess of Faye + Walker Architects, applicant, representing George Ames, owner, for the final design review of the proposed modifications to the commercial use structure on the property located at 5611 Broadway St.

Councilmember Jacobson moved to approve ARB Case No. 1043F as presented. The motion was seconded by Councilmember Baker and passed by a 3-0 vote.

<u>Items for Individual Consideration</u>

Item # 5 Mayor Honigblum asked Council to consider the following consent agenda item.

<u>Architectural Review Board Case No. 1042F</u>, request of RIMO Enterprises, LLC, owner, for the compatibility review of the proposed design located at 103 E Elmview Pl in order to construct a new single-family residence.

Ms. Hernandez stated the Single Family - A (SF-A) property is located at 103 E. Elmview Pl. on the northeast corner of Broadway St. The applicant requests approval of the compatibility review for a proposed new single family residence. She stated the lot is currently vacant because the previous main structure was approved for demolition in 2023.

Ms. Hernandez noted new construction is subject to compatibility review under the demolition review ordinance. She reviewed the existing conditions of the site and presented the proposed site plan, elevations, roof plan, renderings, and streetscape. She noted lot coverage and floor area ratio appear to be compliant with current regulations. Staff will confirm during the plan review process. Staff completed the plan review, and the proposed project complies with the City's Zoning Code.

The Architectural Review Board (ARB) considered the request at the July 28, 2026, special meeting and voted unanimously to recommend approval of the proposed design with the consistency in the windows.

Ms. Hernandez 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. Staff received no responses in support nor in opposition. One neutral response was received.

The applicant, Ms. Samantha Montoya, stated they had submitted new plans in accordance with the ARB's request for consistency in the windows.

Mayor Honigblum requested to hear from residents who had signed up to speak on this item.

- Ms. Laura Lindner, resident, stated she was concerned about view obstruction turning off of Elmview onto Broadway, noting it was challenging to see with the current shrubs.
- Mr. Dennis Donelson, resident, stated he agreed with the previous comments with problems with the line of sight at the intersection of Broadway and Elmview from the street and the alley due to the hedge. He added residents had noticed the plans did not present plans for fencing.
- Mr. Anthony Guerrero, resident, stated his was concern was the same issue regarding an obstructed view turning onto Broadway due to overgrown shrubs along the fence line.

Ms. Montoya stated the intent is to remove the current fence and overgrown shrubs to improve visibility. A fence is proposed for the rear of the property; however, no fence is proposed along Broadway. She stated she was willing to remove the fence and shrubs during construction and work with staff to create a visual triangle off the alley and off Elmview

Mayor Pro Tem Jessee moved to approve ARB Case No. 1042F as presented. The motion was seconded by Councilmember Baker and passed by a 3-0 vote.

Item # 7 Mayor Honigblum read the following caption.

Public Hearing – Planning and Zoning Case No. 463. A request by Tyler Kozma, applicant, representing Trebes Sasser, Jr., owner, to replat the properties identified as CB 4024 BLK 33 LOTS 3, 5, 6, E 50ft of 2 & LOT 7 EXP SW 71.36FT also known as 5307 Broadway St.

Ms. Hernandez stated the property in question had three different zoning designations, Business District-1 (B-1), Parking District (P), and Multi-Family District (MF-D). It is located at 5307 Broadway at the corner of Broadway St and Kennedy Ave. The applicant requests approval to replat the properties into one.

Ms. Hernandez reviewed the existing conditions and proposed replat. She stated the proposed lots meet all lot area and lot width requirements for the various zoning designations on the property. The request is pending approval by CPS, SAWS, and Public Works before releasing the plat for recordation. She noted there is currently a renovation project underway of existing commercial building.

The Planning & Zoning Commission considered the request at the regular meeting of August 3, 2026 and voted unanimously to recommend approval of the request as proposed.

Public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website and on the property. A legal notice was published in the *San Antonio Express-News*. Staff received three responses in support and none in opposition.

Mayor Honigblum opened the public hearing at 5:55 p.m. With no one to speak on the item, he closed the public hearing at 5:56 p.m.

Item # 8 Mayor Honigblum read the following caption.

Discussion and possible action on Planning and Zoning Case No. 463, a request submitted by Tyler Kozma, applicant, representing Trebes Sasser, Jr., owner, to replat the properties identified as CB 4024 BLK 33 LOTS 3, 5, 6, E 50ft of 2 & LOT 7 EXP SW 71.36FT also known as 5307 Broadway St.

Councilmember Jacobson moved to approve Planning and Zoning Case No. 463 as presented. The motion was seconded by Councilmember Baker and passed by a 3-0 vote.

Item # 9 Mayor Honigblum read the following caption.

<u>Public Hearing – Planning and Zoning Case No. 471</u>. A request by Jesse F. Cantu, applicant, on behalf of Donop Realty, LLC, owner, to replat the properties identified as CB 4050 BLK 75 LOT 23 and CB 4050 BLK 75 LOT 24, also known as 5701 N New Braunfels Ave.

Ms. Hernandez stated the Office-1 District (O-1) properties are located at 5701 N New Braunfels Ave. at the northwest corner of N New Braunfels Ave. and Montclair Ave. The applicant requests approval to replat two properties into one.

Ms. Hernandez reviewed the existing conditions and proposed replat. She stated there is no minimum lot area requirements for the zoning designation on this property; however, the lot width minimum is 75 feet. The applicant went before the Board of Adjustment for a variance for the proposed width which was granted with the condition of rezoning approval. The request is pending approval by CPS, SAWS, and Public Works who are finalizing locations of easements with CPS.

Ms. Hernandez noted Council considered and approved the rezoning request with the condition that a 5-foot public access easement would be established. Staff will confirm this requirement before releasing the plat for recordation. All future development plans will to go through full plan review by staff as well as ARB and City Council Review.

The Planning & Zoning Commission considered the request at the regular meeting of August 3, 2026 and voted unanimously to recommend approval of the request as proposed.

Public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website and on the property. A legal notice was published in the *San Antonio Express-News*. Staff received one response in support from the applicant and none in opposition.

Mayor Honigblum opened the public hearing at 5:59 p.m. With no one to speak on the item, he closed the public hearing at 6:00 p.m.

Item # 10 Mayor Honigblum read the following caption.

Discussion and possible action on Planning and Zoning Case No. 471, a request of Jesse F. Cantu, applicant, on behalf of Donop Realty, LLC, owner, to replat the properties identified as CB 4050 BLK 75 LOT 23 and CB 4050 BLK 75 LOT 24, also known as 5701 N New Braunfels Ave.

Councilmember Jacobson moved to approve Planning and Zoning Case No. 471 as presented. The motion was seconded by Mayor Pro Tem Jessee and passed by a 3-0 vote.

Item # 11 Mayor Honigblum read the following caption.

Public Hearing – Planning and Zoning Case No. 472. A request by Jacob W. Oder, applicant, on behalf of Caravanserai, LLC, owner, to replat the properties identified as CB 4024 BLK 109 LOT 2, also known as 104 Crescent St, and CB 4024 BLK 109 LOT 1, also known as 202 Crescent St.

Ms. Hernandez stated the Single-Family (SF-A) properties are located at 104 Crescent and 202 Crescent at the southwest corner of Crescent St. and E Olmos Dr. The applicant requests approval to replat two properties into one.

Ms. Hernandez reviewed the aerial view, existing conditions and proposed replat noting there was an existing main structure at 104 Crescent. She stated although the properties are an irregular shape, they did meet the lot area and lot width requirements. The request is pending approval by CPS, SAWS, and Public Works before staff releases the plat for recordation. Any future development is subject to ARB and Council review/approval depending on their request.

The Planning & Zoning Commission considered the request at the regular meeting of August 3, 2026 and voted unanimously to recommend approval of the request as proposed.

Public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website and on the property. A legal notice was published in the *San Antonio Express-News*. Staff received two responses in support and none in opposition.

Mayor Honigblum opened the public hearing at 6:01 p.m. The applicant, Mr. Jacob Oder thanked staff and City Council for their consideration. With no one else to speak on the item, Mayor Honigblum closed the public hearing at 6:02 p.m.

Item # 12 Mayor Honigblum read the following caption.

Discussion and possible action on Planning and Zoning Case No. 472, a request by Jacob W. Oder, applicant, on behalf of Caravanserai, LLC, owner, to replat the properties identified as CB 4024 BLK 109 LOT 2, also known as 104 Crescent St, and CB 4024 BLK 109 LOT 1, also known as 202 Crescent St.

Councilmember Jacobson moved to approve Planning and Zoning Case No. 472 as presented. The motion was seconded by Mayor Pro Tem Jessee and passed by a 3-0 vote.

Item # 13 Mayor Honigblum read the following caption.

Presentation of Proposed FY 2026 - 2027 Operating Budget and scheduling a public budget hearing.

Finance Director Kristine Horton stated she was presenting the proposed FY 2026-2027 Budget for the City of Alamo Heights and would request Council consider scheduling a public hearing at the next regular Council meeting on August 24, 2026.

Ms. Horton stated the City adopts a balanced budget for each fiscal year in accordance with Texas State law and generally accepted accounting standards. The budget is required to cover only those expenditures with revenue for which the City has authority to levy, thus creating a balanced budget. A public hearing is required for the proposed budget to ensure transparency with Alamo Heights citizens.

The proposed FY 2026-2027 Budget revenues cover operating expenditures and creates a balanced budget. Any remaining working capital can be returned to the Fund Balance or designated to fund capital assets or other projects. The proposed budget includes the first phase of two for the garbage fee increase that will support the services the Solid Waste Department provide. It also includes an estimated tax rate increase that would bring in an additional $685,700 in property tax revenue. Estimates were based off of the De Minimis Rate.

Ms. Horton summarized the proposed budget components for FY2026-2027. These include the Tax Rate, General Fund Budget, Comprehensive Fund, Capital Projects, Street Maintenance Fund & Capital Replacement Fund, Utility Fund Revenues and Allocations, Capital Projects Fund and Council's guidance on the final budget.

Ms. Horton reviewed a summary of the proposed General Fund Budget for FY 2026-2027. The Operating Revenues beginning on October 1, 2026 are $9,172,340 with projected operating revenues of $16,112,842. Department Allocations are -$15,746,897 leaving remaining funds at $365,945. Staff expects an estimated fund balance of $9,538,284 at the end of the fiscal year on September 30, 2027 due to projected revenues from a proposed property tax increase.

Ms. Horton reviewed the proposed General Fund Capital Items for FY 2026-2027 totaling $1,111,599.

Proposed Capital Items	Amount	Proposed Capital Items	Amount
Comprehensive Fund-Community Grants	$ 50,000	Community Fall Event	$25,000
EMS Cap Replacement Fund *Part of the cost share with Terrell Hills and Olmos Park	143,000	Household Hazardous Waste	50,000
Fire Truck Encumbrance	200,000	City Hall Renovation Project	60,000
Cap. Rep. Fund –Police (1 Vehicles)	67,599		
Cap. Rep. Fund-Solid Waste (Garbage Truck) *potentially may be leased out	370,000		
Cap. Rep. Fund-Fire (Replacement SCBA Pacs) *potentially may be leased out	146,000		
Total Proposed Items		*$1,111,599*	

Additionally, not included in the projects was the proposed Butterfly Garden-Sod Project – $90,000 that was also being considered by City Council.

Ms. Horton reviewed the proposed solid waste fee increase. **Phase 1**: Solid Waste fee increase from $29 to $34 for all customers & $20 for each cart projected to cover operation expenses; if adopted, fees will begin on October 1, 2026. The City will start seeing collections in November. **Phase 2**: Solid Waste fee increase from $34 to $38 for all customers & $20 for each cart projected to cover operation & capital expenses; if adopted, these fees begin on October 1, 2027 and the City will start seeing collections in November.

	FYE 2026 Budget Solid Waste Fee $29 & $45	FYE 2027 *Phase 1* Solid Waste Fee $34 & $20/extra cart	FYE 2028 *Phase 2* Solid Waste Fee $38 & $20/ extra cart
Solid Waste (SW) Revenues	$ 1,034,832	[1] $ 1,240,498	[2] $ 1,352,346
SW Expenses (Operations Only)	[3] $ -1,171,670	$ -1,202,498	
SW Expenses (Operations & Capital)			$ -1,352,498
% of Expenses Covered by Fees	86.7%	103.2%	100.0%

Ms. Horton continued with the presentation and reviewed the proposed Utility Fund Revenue and Allocations estimated beginning balance for FY 2026-2027 on October 1, 2026 is $4,289,627. The Fund Revenues are at $5,018,192 and Operating Expenses of $6,541,402. The projected gross fund balance on September 30, 2027 is $2,766,417. This includes the transfer of the net cumulative Drought Surcharge Fee proceeds collected since February 2024; an estimated $886,850. The Revenues include a 3% increase as approved by the previous utility rate ordinance.

Ms. Horton summarized other proposed governmental fund balances.

Funding Summary			
	Street Maintenance [1]	Capital Projects (2021 Bond Fd) [2]	Capital Replacement [3]
Projected Fund Balance 10/1/26	$ 661,997	$ 17,265,052	$ 222,826
Transfer in/ Revenue	$ 917,300	$ 480,000	$ 644,007
Expenditures/ Transfer Out	-$ 1,200,000	-$ 203,574	-$ 731,007
Projected Ending Balance 9/30/27	$ 379,297	$ 17,541,478	$ 135,826

1) Street Maintenance estimated dedicated ½ cent sales tax revenue
2) 2021 Taxable bond proceeds of $13.25 million plus interest totaling $17.5 million. The Transfer out of $203,574 is the remaining funds from older capital projects not associated with the Lower Broadway Project
3) Capital Replacement – pending additional $679,007 in transfers for Fire Air Pacs at $146,000, Police Vehicle (1) & Lease Payments $128,007 and Solid Waste Garbage Truck $370,000

Ms. Horton stated a new EMS Capital Replacement-New Fund was created to keep better track of EMS Capital expenditures. Currently budgeted is the lease payment of $153,377 and the purchase of an ambulance totaling $344,390. The 2026 Bond Fund of $7,413,000 will be expensed between now and next fiscal year, with a projected ending balance of $313,000. Additionally, the Pool Fund will be used for needed pool rehabilitation.

Funding Summary			
	EMS Rep Fund[1]	2026 Bond Fund	Pool Fund [2]
Projected Fund Balance 10/1/26	$ 75,000	$7,413,000	$176,987
Transfer in/ Revenue	$ 433,376	$ 20,000	$ 35,000
Expenditures/ Transfer Out	-$ 497,767	$7,120,000	$135,000
Projected Ending Balance 9/30/27	$ 10,609	$ 313,000	$ 76,987

In closing, Ms. Horton asked Council to consider scheduling a public hearing and action item for the proposed FY2026-27 Budget on August 24, 2026.

Mayor Pro Jessee moved the City hold a public hearing for the Proposed FY 2026-2027 Budget on August 24, 2026. The motion was seconded by Councilmember Jacobson and passed by 3-0 vote.

Mayor Pro Tem Jessee moved the City have an action item to adopt the Proposed FY 2026-2027 Budget on August 24, 2026. The motion was seconded by Councilmember Jacobson and passed by 3-0 vote.

Item # 14 Mayor Honigblum read the following caption.

Discussion and possible action to set the proposed 2026 tax rate and scheduling a public hearing.

Ms. Horton stated the City is required by Ch. 26 of the Texas Property Code to determine and publish the no new revenue tax rate and the voter approval tax rate. The City is required to decide how much revenue is needed and to calculate the rate required to raise that amount. Public notices must be published and if the proposed tax rate will exceed the no new revenue tax rate, the City must hold one public hearing and adopt a tax rate. She stated property valuations have gone down and the tax rate then goes up.

Ms. Horton reviewed the 2026 Tax Rate calculations per $100 received from Bexar County Tax Assessor.

-No New Revenue Tax Rate - $ 0.380641
provides the same amount of revenue received in prior year on properties taxed in both years which excludes new values

-Voter Approval Tax Rate - $ 0.496515
maximum rate allowed by law without triggering an automatic election to approve tax rates exceeding the voter approval tax rate

Ms. Horton explained 2026 Tax Levies w/o shifting over a portion of the I&S Rate. Noting staff is recommending the proposed tax rate for 2026 to be the De Minimis rate of $0.426544 per $100 valuation which will decrease the budget by $18,250.

				@ 99% Collection				
	Total Property Tax Rate	Debt Tax Rate	M&O Tax Rate	Total Est. Levy	Est. Debt Levy	Est. M&O Levy	Proposed M&O Budget	Difference Over/(Under) Proposed M&O Budget
Current Rate	$ 0.370147	$ 0.076953	$ 0.293194	$ 8,270,403	$ 1,292,424	$ 6,877,979	$ 7,930,845	$ (952,866)
NNR	$ 0.380641	$ 0.076953	$ 0.303688	$ 8,444,311	$ 1,292,424	$ 7,151,887	$ 7,930,845	$ (778,958)
Voter-Approval (w/o unused increment rate)	$ 0.407864	$ 0.076953	$ 0.330911	$ 8,895,452	$ 1,292,424	$ 7,603,028	$ 7,930,845	$ (327,817)
De-Minimis (proposed)	$ 0.426544	$ 0.076953	$ 0.349591	$ 9,205,019	$ 1,292,424	$ 7,912,595	$ 7,930,845	$ (18,250)
Voter-Approval (with unused increment rate)	$ 0.496515	$ 0.076953	$ 0.419562	$ 10,364,584	$ 1,292,424	$ 9,072,159	$ 7,930,845	$ 1,141,314

Ms. Horton reviewed 2026 Tax Levies by shifting $.005 of the I&S Rate into the M&O Rate. She stated the proposed De Minimis rate of $0.426544 per $100 valuation which will increase the budget by $65,725.

				@ 99% Collection				
	Total Property Tax Rate	Debt Tax Rate	M&O Tax Rate	Total Est. Levy	Est. Debt Levy	Est. M&O Levy	Proposed M&O Budget	Difference Over/(Under) Proposed M&O Budget
Current Rate	$ 0.370147	$ 0.071953	$ 0.298194	$ 8,270,403	$ 1,208,449	$ 7,061,954	$ 7,930,845	$ (868,891)
NNR	$ 0.380641	$ 0.071953	$ 0.308688	$ 8,444,311	$ 1,208,449	$ 7,235,861	$ 7,930,845	$ (694,984)
Voter-Approval (w/o unused increment rate)	$ 0.407864	$ 0.071953	$ 0.335911	$ 8,895,452	$ 1,208,449	$ 7,687,003	$ 7,930,845	$ (243,842)
De-Minimis (proposed)	$ 0.426544	$ 0.071953	$ 0.354591	$ 9,205,019	$ 1,208,449	$ 7,996,570	$ 7,930,845	$ 65,725
Voter-Approval (with unused increment rate)	$ 0.496515	$ 0.071953	$ 0.424562	$ 10,364,584	$ 1,208,449	$ 9,156,134	$ 7,930,845	$ 1,225,289

Ms. Horton stated the 2026 proposed tax rate of $0.426544 is anticipated to collect $7.9M to support General Fund operations (O&M). The proposed 2026 tax levies for a resident's City tax bill is estimated to increase by $499.40 on an $885K home valuation ($3,777 annually). Staff anticipates it will bring in an estimated additional amount of $431,670 after balancing the budget and without using the fund balance (if debt is shifted) or $347,695 if debt is not shifted.

Ms. Horton stated City Staff understands the constraints of adopting such an increase and have explored alternative tax levy routes for Council to consider.

- <u>Alt. #1: 75/25 split of Property Taxes and Fund Balance</u>
  - Will equate to a tax rate of $0.395700/$100
  - Split will equate to $79,480 coming from fund balance and $240,275 coming from property taxes (if debt is shifted)
    - For the unshifted debt the tax rate will equate to $0.400800/$100
  - Will raise an estimated total M&O tax levy of $7.48 Million
  - Residents City tax bill estimated to increase by $226.27 on an $885K home valuation ($3,504 annually)
- <u>Alt. #2: 50/50 split of Property Taxes and Fund Balance</u>
  - Will equate to a tax rate of $0.390900/$100
  - Split will equate to $159,026 coming from fund balance and $160,729 coming from property taxes (if debt is shifted)
    - For the unshifted debt the tax rate will equate to $0.395900/$100
  - Will raise an estimated total M&O tax levy of $7.4 Million
  - Residents City tax bill estimated to increase by $183.77 on an $885K home valuation ($3,461 annually)
- <u>Alt. #3: Midpoint tax rate between the NNR and the De-Minimis</u>
  - Will equate to a tax rate of $0.405000/$100
  - Will raise an estimated total M&O tax levy of $7.63 Million
  - Bringing in an estimated additional amount of $74,641 after balancing the budget and without using fund balance (if debt is shifted)
    - For the unshifted debt the tax rate will equate to $0.41000/$100Will raise an estimated total M&O tax levy of $7.4 Million
  - Residents City tax bill estimated to increase by $308.63 on an $885K home valuation ($3,586 annually)

Ms. Horton noted the 2026 proposed tax rate of $0.426544 is more than the No-New Revenue Tax Rate of $0.380641. She advised once Council decides and approves a tax rate, the adopted tax rate cannot be higher. The actual M&O and I&S rate will be dependent on if Council wants to shift $.005 of the I&S rate to the M&O. Council is required to hold a public hearing to obtain citizen input. The City will publish notices in the *San Antonio Express-News* pursuant to the Texas Property Tax Code.

Council briefly discussed the process to set the tax rate including to shift or not to shift and decided to set the proposed tax rate of $0.426544.

Mayor Pro Tem Jessee moved to set the proposed 2026 Tax Rate at $0.426544 per $100 valuation composed of the M&O Rate and the I&S Rate to be determined later. The motion was seconded by Councilmember Jacobson and passed by roll call vote as follows: Ayes – Mayor Pro

Tem Jessee, Councilmember Baker, and Councilmember Jacobson. Nays – None. Present but not voting – Mayor Honigblum. Passed by 3-0 vote.

Mayor Pro Tem Jessee moved the City hold a public hearing for consideration of the 2026 Proposed Tax Rate on August 24, 2026. The motion was seconded by Councilmember Jacobson and passed by 3-0 vote.

Mayor Pro Tem Jessee moved the City set an action item on the August 24, 2026 agenda to adopt the 2026 Tax Rate. The motion was seconded by Councilmember Jacobson and passed by 3-0 vote.

Mayor Honigblum thanked staff and Mr. Kuhn for all their work on the budget and tax presentations. Mr. Kuhn added Ms. Horton had done an excellent job preparing and presenting the budget/tax items for the first time this year.

Item # 15 Mayor Honigblum read the following caption.

RESOLUTION NO. 2026R - 249

A RESOLUTION EXTENDING A CONTRACT WITH TXTOW CORP. DBA TEXAS TOWING FOR VEHICLE TOWING AND STORAGE SERVICE FOR AN ADDITIONAL TWO-YEAR TERM AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AMENDMENT AND HAVING AN EFFECTIVE DATE.

Police Chief Rick Pruitt stated staff is seeking approval of a Resolution to allow a two-year extension to the towing and storage agreement with TxTow Corp dba Texas Towing. The City entered into a three-year contract with TxTow Corp on August 28, 2023. He added it has been a great partnership. The current contract provides for a two-year extension of the contract with City Council approval. Required inspections have confirmed Texas Towing has fulfilled all provisions of the contract.

Police Chief Pruitt stated staff found that TxTow meets or exceeds the requirements of all regulatory state agencies, and there have been no complaints regarding service or loss during the term of the current contract. He shared their large storage facility is well lit with stadium lighting and is enclosed with a 7 foot fence. Their personnel is on duty 24-7 and monitor the surveillance cameras onsite.

The proposed action is consistent with COAH efforts to provide safe roadways remediate accident scenes, prevent obstruction of roadways by traffic hazards, and provide safe storage of vehicles coming under our control.

Police Chief Pruitt noted the City Attorney prepared the proposed resolution, and the City Manager reviewed the existing contract. He stated during the period of August 2023 thru June 2026 there were 1,326 vehicle towing incidents in the city. The agreed percentage share paid to COAH is $108,078.

After a brief discussion, Councilmember Baker moved to approve Resolution No. 2026R – 249 as presented. The motion was seconded by Mayor Pro Tem Jessee and passed by 3-0 vote.

Item # 16 Mayor Honigblum read the following caption.

RESOLUTION NO. 2026R - 250

A RESOLUTION APPROVING A SERVICE AGREEMENT FOR EMS BILLING WITH EMS MANAGEMENT & CONSULTANTS, INC AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR SUCH SERVICES.

Fire Chief Allen Ottmers stated staff requests approval of a Resolution authorizing the City Manager to enter into a service agreement between Alamo Heights and EMS Management & Consultants for the purpose of EMS billing. Alamo Heights EMS (AHEMS) currently has an interlocal agreement with Schertz EMS for EMS billing; however, AHEMS received a notification from Schertz EMS that the current billing contract will not be renewed after September 30, 2026.

Staff received three proposals for EMS billing services. EMS Management & Consultants, Inc. provided the lowest rate and provides a client and customer portal that provides easy access for staff and patients to view and pay their EMS bill. EMS billing is an important source of revenue to the system to off-set recurring costs.

Fire Chief Ottmers noted the City Attorney and City Manager had reviewed and approved the agreement. He explained EMS Management & Consultants, Inc. will charge 5.75% of the amount collected to be paid monthly, this is a decrease of 4.25% from what Schertz EMS charged. Based on historical data and current collection rate, the cost would range between $18,000 to $21,000. If collection percentage rises, then the cost will also rise. He noted the EMS billing services will be paid through the EMS budget.

After a brief discussion, Councilmember Jacobson moved to approve Resolution No. 2026R – 250 as presented. The motion was seconded by Councilmember Baker and passed by 3-0 vote.

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With no further business to consider, Mayor Pro Tem Jessee moved to adjourn the meeting at 6:39 p.m. The motion was seconded by Councilmember Jacobson and passed by 3-0 vote.

PASSED AND APPROVED THIS 24th DAY OF AUGUST, 2026.

CITY OF ALAMO HEIGHTS, TEXAS

Albert Honigblum
Mayor

Elsa T. Robles, TRMC
City Secretary