

CITY OF ALAMO HEIGHTS
CITY COUNCIL
August 22, 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, August 22, 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 5:46 p.m.*

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

Deputy Police Chief Cindy Pruitt

Community Development Services Director Lety Hernandez

Fire Chief Michael Gdovin

Fire Deputy Chief Allen Ottmers

Public Works Director Pat Sullivan – *Via Zoom*

Absent:

Councilmember Blake M. Bonner

Human Resources Manager Brenda Jimenez

* * *

Mayor Bobby Rosenthal opened the meeting at 5:31 p.m.

* * *

Item # 1 Approval of Minutes

Mayor Bobby Rosenthal asked City Council for a motion on the August 8, 2022 City Council Meeting minutes. Councilmember Wes Sharples moved to approve the minutes as presented. The motion was seconded by Councilmember Lynda Billa Burke and passed by 3-0 vote.

* * *

Item # 2 Announcements

Mayor Rosenthal read the following caption.

a. Stage 4 Water Restrictions

City Manager Buddy Kuhn announcement Stage 4 water restrictions are currently in effect as mandated by the Edward’s Aquifer Authority (EAA). The City’s ordinance requires 40% reduction under Stage 4. Currently, the permitted acre feet (AF) amount is 2,822 acre feet. If the City remains in Stage 4 for the remainder of the year, the new acre feet reduction amount is 2,025 acre feet, a Stage 5 ordinance is not in place. Mr. Kuhn shared historic amounts for the past 3 years; 2019 – 1,861 AF; 2020 – 2,001 AF; and 2021 – 1,810 AF. Additionally, the first 6 months in 2022 – 934.19 AF, and projected is 1,868.38 AF with mandated reductions in place and enforced.

* * *

Item # 3 Citizens to be heard

Ms. Sarah Reveley, resident, address Council about her research on centennial homes in the city as part of the Centennial Celebration. She asked Council for help identifying the historical homes. Mayor Rosenthal thanked Ms. Reveley and asked Council to consider helping with this project.

Mr. John Frierson, resident of Olmos Park, shared his concerns with litter at the Olmos Basin Parks, specifically, alcohol containers. He asked Council to consider sending a letter to City of San Antonio Director of Parks and Recreation Homer Garcia to ban alcohol at the Olmos Basin parks.

* * *

Mayor Rosenthal announced Items # 4-6 would be considered after the Architectural Review Board Cases.

* * *

Items for Individual Consideration

Item # 7 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 885F, request of La Pilla Ventures, owner, for the significance review of the existing main structure located at 124 & 126 Wildrose in order to demolish 100% of the existing single-family residence

Community Development Services Department Director Lety Hernandez stated the Single-Family A property is located at 124 & 126 Wildrose on the south side between Wintergreen and Broadway. The applicant requests approval of a significance review in order to demolish 100% of the existing residence.

Ms. Hernandez reviewed the existing property condition and streetscape. She stated staff found no historical or architectural significance to the existing main structure. A replacement structure has not been proposed at this time; however, future construction of a single-family residence would be subject to a Compatibility Review by the Architectural Review Board (ARB) and approval by Council.

On August 16, 2022, the ARB conducted the significance review and voted unanimously to declare the existing main structure as not significant and recommended approval of the demolition as requested.

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 one response in support and none in opposition.

Councilmember Sharples moved to approve ARB Case No. 885F as presented. The motion was seconded by Councilmember Billa Burke and passed by 3-0 vote.

* * *

Mayor Pro Tem Lawson Jessee arrived at 5:46 p.m. and voted for the remainder of the agenda items.

* * *

Item # 8 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 887F, request of Christopher Guido, owner, for the compatibility review of the proposed design located at 201 Oakview E in order to add a 2nd story to an existing detached garage

Ms. Hernandez stated the Single-Family A (SF-A) zoned property is located at 201 Oakview E, on the north side of the street at the intersection of Vanderhoeven. The applicant requests approval of a compatibility review for a two-story addition to an existing detached garage. She noted, demolition of one-story detached accessory structures are exempt from significance review; however, construction of two-story detached accessory structures is subject to a compatibility review.

Ms. Hernandez reviewed the existing property conditions, proposed elevations, and floor/roof plans. The applicant is proposing a height of – 21ft 8-inches (utilizing max 2ft height bonus due to slope) with Hardie Board siding and metal roof and is utilizing the looming exemption at the alley.

In terms of policy analysis, Ms. Hernandez noted the proposed lot coverage increased slightly from 30.23% to 30.97% under the maximum allowed of 40% in a SF-A zone. The proposed floor area ratio increased from 0.2732 to 0.3349% of the allowable max. The applicant can use the maximum of 50% since they will preserve 50% of the existing main structure and have a side or rear street/alley access.

Ms. Hernandez stated the ARB considered the request at their August 16, 2022 meeting and voted unanimously to recommend approval of the proposed design as compatible.

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 two responses in support and none in opposition.

Mayor Pro Tem Jessee moved to approve ARB Case No. 887F as presented. The motion was seconded by Councilmember Sharples and passed by unanimous vote.

Item # 9 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 870F, request of Jack Dabney of Dabney Homes, owner, for the compatibility review of the proposed design located at 227 Rosemary in order to construct a new single-family residence with detached garage

Ms. Hernandez stated the Single-Family A (SF-A) zoned property is located at 227 Rosemary, on the north side between Wintergreen and Buttercup. The applicant requests approval of a compatibility review in order to construct a new single-family residence with detached garage. She noted the ARB determined the previous residence was not significant and recommended approval of the demolition at the June 15, 2021 meeting. Council approved the board’s recommendation at their June 28, 2021 meeting. At the time of the request for demolition review, no plans were submitted for a replacement structure.

Ms. Hernandez reviewed the proposed site plan, elevations, floor/roof plans, and streetscapes. For the main structure, the applicant is proposing a height of – 28ft, with Hardie Board siding with Stone Veneer and composition shingle with metal roof accents. The proposed detached garage elevation height is 18ft 9-¾ inches with Hardie Board siding and composition shingle roof.

In terms of policy analysis, Ms. Hernandez noted the proposed lot coverage is 36.12% under the maximum allowed of 40% in a SF-A zone. The proposed floor area ratio is .4703% of the allowable 49% with two bonuses for a side or rear street/alley access and a one-story garage.

Ms. Hernandez stated the ARB considered the request at their August 16, 2022 meeting and voted unanimously to recommend approval of the proposed design as compatible and encouraged consistency of window design use to match the design of the shed gable.

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.

Mayor Pro Tem Jessee moved to approve ARB Case No. 870F as presented. The motion was seconded by Councilmember Savage and passed by unanimous vote.

* * *

Mayor Rosenthal announced Items # 4-6 would be considered next.

* * *

Public Hearings

Item # 4 Mayor Rosenthal read the following caption.

Public hearing on Proposed FY 2022-2023 Annual Operating Budget

Mayor Rosenthal opened the public hearing at 5:54 p.m. With no one to speak on the item, Mayor Rosenthal closed the public hearing at 5:55 p.m.

Item # 5 Mayor Rosenthal read the following caption.

Public hearing on 2022 Proposed Ad Valorem Tax Rate

Mayor Rosenthal opened the public hearing at 5:56 p.m. With no one to speak on the item, Mayor Rosenthal closed the public hearing at 5:57 p.m.

* * *

Items for Individual Consideration

Item # 8 Mayor Rosenthal read the following caption.

Budget and Tax Ordinances to be considered in the following order:

a. **FY 2022-2023 Operating Budget**

ORDINANCE NO. 2192

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF ALAMO HEIGHTS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023; AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF ALAMO HEIGHTS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023

b. **2022 Ad Valorem Tax Rate**

ORDINANCE NO. 2193

AN ORDINANCE LEVYING AN AD VALOREM TAX AT THE RATE OF \$0.388051 FOR EVERY \$100.00 VALUATION FOR THE SUPPORT OF THE CITY GOVERNMENT OF THE CITY OF ALAMO HEIGHTS, TEXAS, SPECIFYING SEPARATE COMPONENTS OF SUCH RATE FOR MAINTENANCE AND OPERATIONS AND FOR DEBT SERVICE; SAID TAXES BEING LEVIED FOR THE 2022 TAX YEAR; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING FOR COLLECTION AND ORDAINING OTHER RELATED MATTERS; AND SETTING AN EFFECTIVE

c. **Ratifying the Increase in Property Tax Revenue reflected in the
FY 2022-2023 Budget**

ORDINANCE NO. 2194

**AN ORDINANCE RATIFYING THE PROPERTY TAX REVENUE
INCREASE REFLECTED IN THE FISCAL YEAR 2022-2023 BUDGET**

Finance Director Robert Galindo presented the proposed FY 2022-2023 and the proposed 2022 Tax Rate. The proposed 2022 total tax rate is \$0.388051 per \$100 valuation. The tax rate is composed of two components: the proposed Maintenance and Operation (M&O) rate of \$0.326051 and the proposed Interest and Sinking (I&S) rate of \$0.062000. If Council adopts the proposed tax rate, it will reduce the total tax rate by 4.1%.

Mr. Galindo reviewed the current Total Tax Rate of \$0.404439 and stated on August 8, 2022, Council voted to propose a not to exceed \$0.392000 tax rate (a reduction of 3.1% from 2021) and requested staff explore a lower tax rate option. Mr. Galindo presented two options for Council to consider: **Option 1** - Total Tax Rate of \$0.392000 per \$100 valuation, an M&O Rate of \$0.326051 and I&S Rate of \$0.065949 with the projected remaining General Fund balance available of \$364,460; **Option 2** - Total Tax Rate of \$0.388051 per \$100 valuation, an M&O Rate of \$0.326051 and I&S Rate of \$0.062000 (a reduction of 4.1% from 2021) with the projected remaining General Fund balance available of \$379,052. The difference between both options is: **Option 1** - for every \$100 City collects in property tax, \$83 would be available for General Fund use (M&O rate); and **Option 2** - for every \$100 City collects in property tax, \$84 would be available for General Fund use (M&O rate).

Mr. Galindo stated the No New Revenue Tax Rate is \$0.378140 and the Voter Approval Tax Rate is \$0.410231. He reviewed revenue collections for both options. **Option 1** tax revenue collections would be \$7,867,173, a revenue increase of \$217,208 and **Option 2** would be \$7,805,285, a revenue increase of \$155,321. Additionally, the average home owner less than 65 years of age, would see an annual increase of \$104.00 for **Option 1** and \$74.00 for **Option 2**.

Mr. Galindo summarized, if Council adopts **Option 2**, it will increase revenues by \$89,171 in the General Fund. He stated at the August 8, 2022 Council meeting, Council discussed a possible 5% Cost of Living Adjustment (COLA) increase for staff. This will be an additional \$80,000, leaving a General Fund balance of \$227,237. He reviewed the proposed Utility Fund Budget beginning balance of \$3,134,418 with proposed revenues of \$4,532,508, proposed operating expenses of \$4,377,680, and working capital of \$154,828. The estimated fund balance at the end of the fiscal year is \$3,289,246.

Other proposed governmental funds for FY 2022-2023 are the Comprehensive Plan Fund with a beginning balance of \$159,443 with transfers in of \$25,000 from the General Fund, a possible carryover from prior year \$50,000 for lighting and \$25,000 park improvements. The Street Maintenance Fund revenues estimated at \$852,062 from sales tax and expenditures of \$1,000,000 for the street maintenance program. The Capital Projects Funds beginning balance of \$14,306,607 which includes the 2021 Taxable bond proceeds and a transfer in of \$25,000 allocated for the Olmos Basin Cleanup. The Capital Replacement Fund starting balance is \$578,303 with a transfer in of \$60,000 from the General Fund for the purchase of a future ambulance.

Mr. Galindo stated the City Charter requires the City Manager to prepare a budget to cover all proposed expenditures of the City for the succeeding year. The budget must be prepared in conformity with state law and a vote to approve is required. A roll call record vote to set the tax rate is required by Chapter 26 of the Tax Code. Local Government Code 102.007 requires a separate vote to ratify the property tax revenue increase in the budget.

Councilmember Sharples stated he recalled staff recommending the proposed tax rate of \$0.382000 per \$100 valuation at the previous Council meeting and wanted to know what had changed.

Mr. Galindo agreed and reminded Council they had approved to set the proposed 2022 Tax Rate not to exceed \$0.392000 per \$100 valuation and had asked staff to review the numbers again for a different scenario. He stated staff met with Councilmember Savage and together they agreed *Option 2*, with a Total Tax Rate of \$0.388051 per \$100 valuation, was a viable option. Mr. Galindo added it is important not to increase or decrease the tax rate too much and keep it as level as possible.

Mr. Kuhn stated the original tax rate proposed on August 8th of \$0.382000 per \$100 valuation was going to about be about \$49.00 or -5.1% reduction in the rate; however, Council directed staff to review different options.

Mayor Pro Tem Jessee shared his concern with lowering the tax revenue too much because it may compound into a problem in the future with the COLA increasing annually and net revenue decreasing.

Mr. Kuhn stated the COLA is not the only thing affecting this decision, items Council requested during the Strategic Action Plan and Budget Workshops will also impact the budget. He presented Council with a snapshot of proposed rates for local area cities and cautioned Council about selecting a “no new revenue” rate because historically, other cities who adopted this rate, found themselves running out of money and essentially played catch up by drastically increasing their tax rate annually.

After some discussion, Councilmember Billa Burke moved to approve Ordinance No. 2192 adopting the annual operating budget of the City of Alamo Heights to include a 5% COLA increase for city employees for the fiscal year beginning October 1, 2022 and ending September 30, 2023. The motion was seconded by Mayor Pro Tem Jessee and passed by roll call vote as follows: Ayes – Mayor Pro Tem Jessee, Councilmember Sharples, Councilmember Billa Burke, and Councilmember Savage. Nays – None. Present but not voting – Mayor Rosenthal. Absent and not voting – Councilmember Blake M. Bonner.

Mayor Pro Tem Jessee moved to approve Ordinance No. 2193 stating the property tax rate be increased by the adoption of a tax rate of \$0.388051 per \$100 valuation, which is effectively a decrease of 4.1% in the tax rate with the M&O Rate being \$0.326051 and the I&S Rate being \$0.062000. The motion was seconded by Councilmember Sharples and passed by roll call vote as follow: Ayes – Mayor Pro Tem Jessee, Councilmember Sharples, Councilmember Billa Burke, and Councilmember Savage. Nays – None. Present but not voting – Mayor Rosenthal. Absent and not voting – Councilmember Blake M. Bonner.

Councilmember Billa Burke moved to approve Ordinance No. 2194 ratifying the increase in Property Tax reflected in the FY 2022-2023 Budget. The motion was seconded by Councilmember Savage and passed by roll call vote as follow: Ayes – Mayor Pro Tem Jessee, Councilmember Sharples, Councilmember Billa Burke, and Councilmember Savage. Nays – None. Present but not voting – Mayor Rosenthal. Absent and not voting – Councilmember Blake M. Bonner.

Mr. Kuhn took the opportunity to thank Mr. Galindo, management staff, and City Council for their hard work in establishing a well balance budget for next fiscal year.

Item # 10 Mayor Rosenthal read the following caption.

Discussion and possible action to amend the current Interlocal Agreement with the Alamo Heights Independent School District by adding two additional School Resource Officers and authorizing the City Manager and Chief of Police to execute the Interlocal Agreement

Police Chief Rick Pruitt presented a request from the Alamo Heights Independent School District (AHISD) to amend the Interlocal Agreement by adding two School Resource Officers (SRO) and restructuring the cost share agreement with the City of Alamo Heights. The requested SROs would be based at Cambridge Elementary School and Alamo Heights Junior High School. The SRO will also rotate to Woodridge and Howard Elementary schools.

Staff proposes the cost share for the SRO at Cambridge Elementary and Alamo Heights High School be 75% AHISD / 25% City. AHISD will pay 100% of personnel costs for the SRO at the Junior High School and reimburse the City for uniforms and equipment for this SRO.

Police Chief Pruitt stated the SRO Program oversight is assigned to a Police Administrative Officer. The AHISD will pay 100% of the differential salary and benefit costs of this officer. All proposals and cost analysis have been provided to the AHISD Superintendent and were approved by the AHISD Board of Trustees.

The agreement between the City and School District is pursuant to the Interlocal Cooperation Contracts, Chapter 791, Texas Govt Code, the COAH, a home rule municipality, and AHISD, an independent school district, may jointly exercise the power to provide governmental services for public health, safety, and general welfare.

SRO equipment for two SROs are currently in inventory. As a reminder, AHISD will reimburse the City for one additional SRO's equipment. A clause is in place in the agreement should the SRO program discontinue. It permits the City to purchase equipment (weapon, radio, shield, etc.) back at fair market price. SRO vehicles will come from current inventory in the department. All financial obligations of the SRO program will be funded by the respective revenues of AHISD and COAH.

All financial obligations of the SRO program will be funded by the respective revenues of AHISD and COAH. Chief Pruitt reviewed the cost associated with the additional SROs.

Resource	Total FY23	AHISD	COAH
Two SROs (75%- 25%)	181,924	136,442	45,482
One SRO (100%)	90,962	90,962	0
One Admin Support	12,449	12,449	0
Equipment/Uniforms	11,024	11,024	0
TOTAL	\$296,359	\$250,877	\$45,482

Chief Pruitt stated the Interlocal Agreement amendment was coordinated with the City Manager, City Attorney, staff, and AHISD Superintendent Dr. Dana Bashara and Assistant Superintendent Dr. Frank Alfaro. The AHISD board members approved the amendment.

Staff requests approval to amend the current Interlocal Agreement (ILA) with the Alamo Heights ISD by adding two additional SROs and authorizing the City Manager and Chief of Police to execute the agreement.

Mayor Pro Tem Jessee moved to approve the ILA amendment as requested. The motion was seconded by Councilmember Sharples and passed by unanimous vote. Council thanked staff for establishing the SRO program in the city.

Item # 11 Mayor Rosenthal read the following caption.

Discussion and possible action to enter into a Memorandum of Understanding between the San Antonio Police Department and Alamo Heights Police Department and authorizing the Chief of Police to execute the Memorandum of Understanding

Police Chief Pruitt stated this item was in direct relationship to the SRO program expanding into the city limits of San Antonio and under the jurisdiction of the San Antonio Police Department (SAPD). He added having an agreement with SAPD is important to AHPD because it will clarify the roles and responsibilities of each agency during emergency/non-emergency incidents and investigations.

Staff proposes a standard language Memorandum of Understanding (MOU) prepared by SAPD outlining procedures and responsibilities for overlapping jurisdictions to work for a common cause to include the following; applies to Alamo Heights Junior School, Woodridge Elementary and Howard Early Learning Center. The MOU will define the responsibilities of each agency during critical/emergency and non-emergency investigations, it includes a statement of liability for each agency, an acknowledgement of indemnification for each agency, and it remains in effect for five years unless a sixty-day notice is given by either party.

Police Chief Pruitt stated, like the previous SRO agreement, the MOU is pursuant to the Interlocal Cooperation Contracts, Chapter 791, Texas Govt Code, the City of Alamo Heights (COAH) and the City of San Antonio (COSA), both home rule municipalities, may jointly exercise the power to provide governmental services for public health, safety, and general welfare. The MOU does not create any financial obligation by one party on the other.

Police Chief Pruitt noted the MOU was coordinated with the City Manager and City Attorney who reviewed the MOU and suggested some amendments. The City Attorney is currently working with COSA City Attorney James Kopp to incorporate these changes, but suggested staff present this draft to Council for approval in "Substantial Final Form". The MOU was reviewed by the AHISD Executive Staff, their attorneys, and the AHISD board members and agree with the MOU.

Staff requests approval of the Memorandum of Understanding between the Alamo Heights Police Department and San Antonio Police Department in its substantial final form and authorizes the Chief of Police to execute the Memorandum of Understanding.

City Attorney Richard Lindner advised COSA City Attorney had reviewed the suggested amendments and did not see a problem with making the changes; however, if significant changes are proposed or if both parties do not agree, then staff would bring this item back to Council for discussion and consideration.

Councilmember Sharples moved to approve to authorize the Chief of Police to execute the Memorandum of Understanding between AHPD and SAPD in substantial final form as requested. The motion was seconded by Councilmember Billa Burke and passed by unanimous vote.

* * *

Closed Session

Item # 12 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 6:39 p.m. and reconvened in Open Session at 6:52 p.m. in accordance with the Texas Open Meetings Act, Texas Government Code, *Section §551.071 (Consultation with Attorney)*.

* * *

Open Session

Item # 13 Mayor Rosenthal read the following caption.

Discussion and possible action resulting from Executive Session

No action taken.

* * *

With no further business to consider, Councilmember Sharples moved to adjourn the meeting at 6:53 p.m. The motion was seconded by Councilmember Savage and passed by unanimous vote.

PASSED AND APPROVED THIS 12th DAY OF SEPTEMBER, 2022.



Elsa T. Robles, TRMC
City Secretary



Bobby Rosenthal
Mayor

