CITY OF ALAMO HEIGHTS CITY COUNCIL November 10, 2025

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, November 10, 2025. Staff and meeting attendees were welcomed in the Council Chamber.

Composing a quorum were:
Mayor Albert Honigblum
Mayor Pro Tem Trey Jacobson
Councilmember Lawson Jessee
Councilmember Karl P. Baker
Councilmember Blake M. Bonner
Councilmember Lynda Billa Burke

Also attending were:
City Manager Buddy Kuhn
Assistant City Manager Phillip Laney
City Attorneys Frank J. Garza
Assistant to City Manager Jennifer Reyna
City Secretary Elsa T. Robles
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

Mayor Albert Honigblum opened the meeting at 5:30 p.m.

Item # 1 Approval of Minutes

Mayor Honigblum asked the City Council for a motion on the October 27, 2025 City Council meeting minutes. Councilmember Lynda Billa Burke moved to approve the minutes with as presented. The motion was seconded by Councilmember Blake M. Bonner and passed by a 3-0 vote.

Item # 2 Announcements

Mayor Honigblum read the following captions.

a. 47th Annual AH Chamber of Commerce Holiday Parade, November 22nd

Community Development Services Director Lety Hernandez announced the 47th Annual AH Chamber of Commerce holiday parade will be held Saturday, November 22nd. Set-up will begin at 3:30 p.m. and the parade will begin at 5:45 p.m. at the Alamo Heights High School on Broadway, finishing at 6:30 p.m.

b. 6th Annual AH Chamber of Commerce Fun Run, November 22nd

Ms. Hernandez announced the 6th Annual AH Chamber of Commerce Fun Run will take place on November 22nd simultaneously with the holiday parade. Set-up will also begin at 3:30 p.m. and will begin at 5:45 p.m. at Tuxedo Ave/AH Blvd, finishing at 6:30 p.m.

c. San Antonio Sports Marathon, December 7th

Deputy Police Chief Cindy Pruitt announced the upcoming San Antonio Sports Marathon on December 7th starting at 7:15 a.m. at Dolorosa & S. Flores streets. She stated the marathon will make its way through the City of Alamo Heights which will require street closures starting at 6:00 a.m. There will be officers posted at different intersections that will be affected by the runners. She noted the last runner is anticipated to leave Alamo Heights by 1:09 p.m. at mile 20. Streets are scheduled to be reopened by 2:00 p.m. after the street sweepers go through. She noted any runners not reaching a certain midpoint at a certain designated time will be pulled off the route, so no stragglers will come through after that time.

Deputy Chief Pruitt reviewed the streets that would be closed adding Broadway will only be closed to traffic as needed to facilitate the runner's crossing but still maintain and be open to traffic.

- Olmos Drive Closed from Devine to Estes
- Estes to Cambridge Oval
- Cambridge Oval to Bronson
- Bronson to Patterson
- Patterson to Broadway (Broadway closed to traffic as needed for runners to pass)
- Terrell to N New Braunfels
- N New Braunfels South to Burr Rd (Closed to all Southbound traffic)

Staff started notifications through flyers and through the city's website and on social media to notify residents as soon as possible. Marathon notifications from San Antonio Sports are scheduled for November 15th. Additional city notifications will be scheduled for December 1st.

Mayor Honigblum stated he had received calls concerning fire/EMS or police access to residents in the affected neighborhoods. Staff assured first responders would be able to assist should any emergency arise in any of the closed streets.

In addition, City Manager Buddy Kuhn assured Council that HEB Central Market had been involved in the marathon planning from the beginning. Deputy Police Chief Pruitt noted HEB had an alternative route for deliveries.

Item # 3 Citizens to be Heard

No comments made.

Councilmember Lawson Jessee arrived at 5:31 p.m. and voted for the remainder of the agenda items.

Consent Agenda

Item # 4 Mayor Honigblum read the following caption.

RESOLUTION NO. 2025R - 223

A RESOLUTION DESIGNATING THE SAN ANTONIO EXPRESS-NEWS AS THE OFFICIAL NEWSPAPER OF THE CITY OF ALAMO HEIGHTS FOR THE PUBLICATION OF OFFICIAL NOTICES.

Councilmember Karl P. Baker moved to approve Resolution No. 2025R - 223 as presented. The motion was seconded by Councilmember Jessee and passed by a 4-0 vote.

Items for Individual Consideration

Item # 5 Mayor Honigblum read the following caption.

RESOLUTION NO. 2025R - 224

A RESOLUTION OF THE CITY OF ALAMO HEIGHTS, TEXAS AUTHORIZING THE CITY MANAGER TO AWARD FUNDS FOR THE FISCAL YEAR 2026 ALAMO HEIGHTS COMMUNITY IMPROVEMENT GRANT; AND SETTING AN EFFECTIVE DATE.

Assistant City Manager Phillip Laney stated City Council budgeted \$50,000 in FY 2026 to support groups that oversee parks and other community assets. Staff received four applications from interested groups for funding consideration. After reviewing the applications, staff proposes to award funding to three organizations that achieve a public purpose: Alamo Heights Little League, Friends of the Hondondo Creek Trails, and Green Spaces Alliance of South Texas, on behalf of AH Community Garden.

Mr. Laney commented this was the fourth year City Council budgeted funds to assist local community groups and nonprofit organizations. These engaged residents envision, develop, and maintain public parks and other community assets in our community. Historically, these efforts have been operated on private donations, private funding, and or fees that they charge. He added, since 2023, Council has dedicated city funds each year in the budget to support these groups' efforts to achieve a public purpose. In this current year, \$50,000 is included in the budget that Council appropriated.

Mr. Laney explained the Community Improvement Grant (CIG) funding is allocated via a competitive process where applications are submitted to the city, reviewed internally, and presented to City Council for funding consideration. He reiterated four applications received totaling \$94,772 in requested funding.

- Alamo Heights Little League \$40,000 for replacement and upgrade of field lighting to LED lights on Fields 4 & 5. No previous CIG awarded to date.
- <u>Headwaters at Incarnate Word</u> \$30,000 to support Comprehensive Multi-Season Biodiversity Study. *CIG award amount to date is \$30,000 in 2025*.
- Friends of Hondondo Creek Trails \$21,000 for trail improvements to existing section of trail network to improve trail condition & longevity. CIG award amount to date is \$12,500 in 2023.
- Green Spaces Alliance (GSA) of South Texas, on behalf of AH Community Garden \$3,772 to purchase 4 durable picnic tables to replace existing, decaying wood tables at AH Community Garden. CIG award amount to date is \$14,250 in 2025.

Mr. Laney explained each grant application is evaluated according to the goals and experience of the group, the project proposal, the anticipated impact of the project, and the return on city investment versus how much is leveraged from outside funding, and the project timeline.

After review, staff proposes to award \$50,000 in total funding for three projects/organizations as follows:

- Alamo Heights Little League \$25,228
- Friends of Hondondo Creek \$21,000
- Green Space Alliance, on behalf of Alamo Heights Community Garden \$3,772

The award of Community Improvement Grant funds consistent with City's efforts that achieve a public purpose by providing quality recreational services to citizens of Alamo Heights. Staff coordinated with the City Attorney and City Manager on this initiative.

Council discussed verification of proposed project work being done. Mr. Laney assured City Council before any allocations are awarded, the work has been completed. Staff collects invoices/receipts and have eyes on what is being done.

Mr. Kuhn commented after the first year the grants were awarded, staff found the grant recipients were going past the budget year to complete their projects; therefore, conditions have been put in place to ensure projects are completed within the budgeted year. After a brief discussion, Council requested staff to provide an update on awarded grants and their project status.

In closing, Mr. Laney explained the application process and funds allocation process. Councilmember Jessee moved to approve Resolution No. 2025R - 224 as presented. The motion was seconded by Councilmember Billa Burke and passed by a 4-0 vote.

Mayor Pro Tem Trey Jacobson arrived at 6:03 p.m. and voted for the remainder of the agenda items.

Item # 6 Mayor Honigblum read the following caption.

Approving the renewal of contracts for employee health insurance, dental, vision, life, accidental death & dismemberment, long-term disability insurance, a subscription based medical service, and authorizing the City Manager to execute all necessary agreements for the provision of such insurance.

Mr. Kuhn stated it was that time of year again and would be presenting the proposed annual employee benefits for the COAH. HUB International Insurance Brokers obtained renewals for medical, dental, life, AD&D, LTD, and vision insurance coverage for 2026. The renewals obtained for medical were 17.3% or 2.3% higher than the projected budget of 15%. Vision, Dental and LTD benefits did not increase in premium for 2026. Unlike previous years, Mr. Kuhn noted the city had a bad year with a loss of 102%.

Mr. Kuhn stated he had some recommendations for City Council to consider. He commented, with the rise in cost of medical insurance, the 3% cost of living increase budgeted for employees would be pretty much gone and requested Council to consider funding the increase for dependent coverage at 100%. He stated there are currently 29 employees who can afford to cover their dependents out of the 72 that are eligible.

Mr. Kuhn continued and stated staff proposes to offer Next Level as an additional medical service supplement for all employees and their families. Next Level covers primary care, urgent care, health and wellness, immunizations and vaccines, labs, DME, weight loss solutions, behavioral counseling and more. He noted Next Level did not submit claims to the insurance carrier and it would be no out-of-pocket cost to employees/dependents, or balance billing to patients. Next Level's hours of operation are 9am to 9pm daily and offer telemedicine and have multiple clinics through the region. Mr. Kuhn shared other local organizations such as Alamo Heights Independent School District (AHISD) and the City of Olmos Park use Next Level service as a supplement for their employees.

Mr. Kuhn noted the proposed insurance renewals and supplements are consistent with the City's efforts to provide quality but affordable insurance benefits to its employees and relieve the impact of the increased dependent coverage costs to those employees. Staff coordinated with himself, HUB, Mayor Pro Tem Jacobson, Mayor Honigblum, and City Attorney. Mr. Kuhn clarified he had not discussed the proposed increase in dependent coverage with Mayor Pro Tem Jacobson but had discussed the addition of Next Level.

Mr. Kuhn reviewed the total fiscal impact of approximately \$652,408 for medical coverage including \$49,061 - 2.3% above budget and other proposed options; increase for dependents - \$17,150, and the addition of Next Level - \$67,671. He added employees will continue to receive annual maximum contribution of \$1,250 per employee deposited into Health Savings Account (HSA). He stated he recognized the City already takes great care of their employees and contributes a lot for employee benefits but wanted to propose additional options for consideration.

In closing, Mr. Kuhn reiterated due to the high utilization rate of 102% the city hit last year, the cost for medical coverage exceeded the budgeted amount. A budget amendment is

needed to cover the additional cost of \$49,061. He stated Finance Director Kristine Horton would present the proposed budget amendment in the next item.

City Council thoroughly discussed both additional options weighing in the benefits to City employees. Mr. Kuhn explained the proposed increase for dependents of \$17,150 would be a one-time thing to help offset rising medical insurance costs for employees' dependents and incorporating Next Level services would hopefully decrease claims in the coming year which could drive down cost in the future. He clarified HUB had not recommended Next Level. Council was interested in data regarding the average out-of-pocket deductible each employee pays. Mr. Kuhn stated he did not have that on hand but could inquire with the broker.

Councilmember Baker commented the 102% utilization rate was not driven by the kind of services Next Level would undertake. Mayor Honigblum agreed and stated they were a contributing factor.

Next Level Prime Representatives Rafik Sandford and Amy Platt shared information regarding Next Level and their services which focus on non-life-threatening injuries or situations. They are able to take care of broken bones and fractures. Additionally, they offer immunizations, prescription medications, and annual bloodwork/physicals.

Mr. Sandford provided background information on the company which started in Houston in 2013. They became a work comp provider and in 2020 started the Next Level Prime program. In 2022 they opened eight spa-like clinics in San Antonio and eight in Austin with more forthcoming. He shared their goal is to be as disruptive in healthcare as possible, but also to offer a high-quality, affordable experience for everybody.

Ms. Amy Platt stated Next Level Prime is going to save the city in healthcare expenditures and provide an amazing benefit to the employees and their families. She broke down the different cost options the city could pay per month ranging from \$31.50 (employee only) to up to \$67.50 (employee & dependents) with no added costs, copays, bills, etc. She stated an additional option would be a 3-year term (\$60.00 per employee) which covers the entire family.

Mayor Honigblum commented as a former employer he could see how Next Level Prime would benefit employees who do not have a primary doctor. He stated over time, it may reduce the number of claims/chargebacks.

Councilmember Baker noted he understood the logic of it being a good benefit for the employees but was still confused on how it would all fit together and felt the proposal was more of a sales job as opposed to getting impartial information from a consultant like HUB.

Mr. Kuhn assured Council staff had done their homework and discussed it with HUB who work with similar companies that offer these services. Mr. Sandford later verified Next Level does work with HUB.

Mayor Pro Tem Jacobson stated he fully endorsed the idea. He added it would be an opportunity to treat employees fairly and give them and their dependents healthcare access when they need it.

Councilmember Lynda Billa Burke moved to approve the renewal of contracts for employee health insurance, dental, vision, life, accidental death & dismemberment, and long-term disability insurance as presented. The motion was seconded by Mayor Pro Tem Jacobson and passed by a 5-0 vote.

Item # 7 Mayor Honigblum read the following caption.

ORDINANCE NO. 2250

AN ORDINANCE AMENDING THE ADOPTED GENERAL FUND AND UTILITY FUND BUDGETS FOR FISCAL YEAR 2026 FOR HEALTH AND HEALTH CARE COSTS FOR A TOTAL OF \$122,425 AND CREATING A NEW CONSOLIDATED FUND FOR THE MUNICIPAL COURT TECHNOLOGY AND SECURITY FUNDS FOR A TOTAL OF \$24,514 AND SET AN EFFECTIVE DATE.

Finance Director Kristine Horton stated there were two parts to the budget amendment. First being the funds to cover healthcare costs and second the creation of a new consolidated fund.

Ms. Horton reviewed the budget amendment requests. Staff proposes to utilize \$121,181 from the General Fund and \$12,701 from the Utility Fund for a total of \$133,882. From these funds, \$49,061 would cover the additional 2.3% of the employer portion of the Blue Cross Blue Shield increase, \$17,150 is the option to cover the cost increase for the current employees who have elected dependent coverage, and \$67,671 for the option to provide employees and their dependents with Next Level care. She reviewed the current adopted budget balances and proposed amendments stating there is a -\$447,758 in the Utility Fund due to the deduction of the drought surcharge fee reserve of \$544,023.

	Utility Fund FY 2026	
\$ 7,795,221	Est. Beg. FB	\$ 2,691,775
14,576,693	Total Revenues	4,753,775
14,787,265	Total Appropriations	6,276,535
3,462,591	Less: Operating Reserves	1,072,750
Less: Operating Reserves 3,462,591 Est. Available Balance \$ 4,122,058	Less: Drought Surcharge Reserve	544,023
	Est. Available Balance	\$ (447,758)
121,181		
New Est. Available Balance \$ 4,000,877	Less: Proposed Amendment	12,701
	New Est. Available Balance	\$ (460,459)
	\$ 7,795,221 14,576,693 14,787,265 3,462,591 \$ 4,122,058	\$ 7,795,221 Est. Beg. FB 14,576,693 Total Revenues 14,787,265 Total Appropriations 3,462,591 Less: Operating Reserves \$ 4,122,058 Less: Drought Surcharge Reserve Est. Available Balance 121,181 \$ 4,000,877 Less: Proposed Amendment

Ms. Horton stated in addition to appropriating funds to cover the increase in healthcare costs, staff proposes the creation of the new consolidated fund for Municipal Court Technology and Security Funds. This proposed fund is due to a mandated request from H.B. 1950 which became effective on May 29, 2025. The bill only applies to Cities with a population of 100,000 or less and the funds collected can be used for either Court Security or Court Technology. With this bill the current funds must remain in separate funds and used for their intended purposes. Budgeted funds will only be applied to the revenue portion of the new fund for the current fiscal year.

Ms. Horton explained there are currently two separate funds for the technology and the building security which must remain separate. City Council adopted the two separate funds for FY2026. With the new bill, staff is creating the consolidated fund and moving the revenues into the new fund. At this time staff proposes establishing the fund with \$24,514 and start collecting revenue.

The proposed budget amendment is in line with sound financial management practices to commit funds, when possible, in this case it is to provide Health and Health care benefits along with creating a fund in line with HB 1950. Budget amendments between funds require Council approval and were reviewed by the City Attorney and City Manager.

In closing, Ms. Horton stated staff requests City Council discuss and consider to adopt an ordinance to amend the Fiscal Year 2026 adopted budget to allocate a portion of the General and Utility Fund Balances to cover the additional costs of BCBS and to provide a new health care service for employees from Next Level in the total amount of \$133,882. This amendment will also create a new fund as required by HB 1950 for the consolidation the Municipal Court Security and Technology funds.

Councilmember Jessee shared concerns with approving the cost to cover the additional dependent healthcare costs. He stated employees might perceive this as an expectation going forward.

Mr. Kuhn noted this was being proposed as a "one-time" event, not an ongoing commitment. His concern was the employees with dependent care would not benefit from the 3% cost of living increase Council approved because they will be paying a higher dependent healthcare cost.

Councilmember Bonner stated he did not think it was a wise choice for Council to make up the \$17,150 difference to cover employee dependent healthcare costs. He did agree with adding Next Level stating employees would save on deductibles when utilizing this service.

Mayor Honigblum proposed Council consider covering half of the cost to help out the employees with the understanding that what Council approves today does not have to be approved next year.

Mayor Pro Tem Jacobson suggested staff present healthcare analysis/projections during the Strategic Action Plan and Budget Work Sessions rather than after the fiscal year budget is adopted. Mr. Kuhn took note of the suggestion and stated it may be difficult to get accurate data since the city operates on a calendar year for benefits but may be able to provide a 9-month snapshot.

Councilmember Baker reiterated he still had reservations on the healthcare process and proposed benefits noting it did not make sense to add an additional benefit/cost if the concern was an increase in premiums. He understood Next Level sounded great for employees, but it was increasing the city's portion in cost to provide this added benefit.

With no further discussion, Councilmember Jessee moved to approve the budget amendments with the modification of covering 50% of the differential cost in dependent healthcare. The motion was seconded by Mayor Pro Tem Jacobson and passed by a 5-0 vote.

Closed Session

Item #8 Mayor Honigblum read the following caption.

Executive Session as authorized by the Texas Government Code Section 551.071 (consultation with attorney) to discuss potential claim against the city.

The City Council of the City of Alamo Heights convened into Closed Executive Session at 6:55 p.m. and reconvened in Open Session at 7:27 p.m. in accordance with the Texas Open Meetings Act, Texas Government Code, Section §551.071 (Consultation with Attorney).

Open Session

Item # 9 Mayor Honigblum 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 7:28 p.m. The motion was seconded by Councilmember Jessee and passed by 5-0 vote.

Albert Honigblum

Mayor

PASSED AND APPROVED THIS 8th DAY OF DECEMBER, 2025.

sa T. Robles, TRMC

City Secretary

