

CITY OF ALAMO HEIGHTS
CITY COUNCIL
December 13, 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, December 13, 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 Wes Sharples
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
City Attorney Frank Garza
City Secretary Elsa T. Robles
Director of Finance Robert Galindo
Police Chief Rick Pruitt
Human Resources Manager Brenda Jimenez
Fire Chief Michael Gdovin
Deputy Police Chief Cindy Pruitt
Public Works Director Pat Sullivan

Absent was:
Assistant to City Manager Jennifer Reyna

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

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Item # 1 Approval of Minutes

Mayor Bobby Rosenthal asked City Council for a motion to approve the October 28, 2021 Work Session minutes. Councilmember Wes Sharples moved to approve the minutes as presented. The motion was seconded by Mayor Pro Tem Lynda Billa Burke and passed by unanimous vote.

Mayor Rosenthal asked for a motion to approve the November 8, 2021 City Council Meeting minutes. Councilmember Sharples moved to approve the minutes as presented. The motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

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Item # 2 Announcements

Mayor Rosenthal read the following caption.

a. 2021 Texas Municipal Clerks Association President’s Choice Award

City Manager Buddy Kuhn announced City Secretary Elsa Robles had recently received the TMCA President’s Choice Award from Ms. Aimee Nemer, 2021 TMCA President and City of Richardson City Secretary. Ms. Nemer spoke via Zoom and stated she congratulated Ms. Robles for demonstrating what a true professional can accomplish and for her mentorship to clerks across Texas.

b. Recognition of Critical Incident Stress Management Team

Fire Chief Michael Gdovin stated he wanted to recognize the City of Alamo Heights Critical Incident Stress Management Team for service and dedication to the residents, visitors of the City, and First Responders in the State of Texas. The team members recognized were: Bobby Contreras, Hunter Tamez, Evan Jennings, Jeremy Powers, and Ben Huser.

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Item # 3 Citizens to be heard

Mr. Fred Knight, resident, shared his concern regarding “speeders” on Montclair Street. He feared for the safety of neighboring children and pets and suggested the City and residents explore the installation of speed bumps to address the issue.

Mr. Thomas Holstlaw, resident, stated cars drive fast on his street and spoke about nearby business employees parking on Circle Street and turning it into one lane which may cause accidents.

Mr. Sean Caporaletti, resident, thanked his neighbor for coming forward and addressing this issue with the City Council. He suggested the City install speed bumps and post speed limit signs.

Ms. Barbie Holstlaw, resident, stated there are no speed limit signs on Circle Street and many residents use the street as a walking area. She added cars are constantly speeding through.

Mr. Christopher Walker, resident, also asked the City for help to address speeding drivers. He added police presence has helped, but understands they cannot be there 24 hours a day.

Mr. Kai Leung, resident, expressed his concern regarding speeding cars on Montclair and stated he is concerned for the neighbor's children who often play in the street.

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Consent Agenda

Item # 4 Mayor Rosenthal read the following caption.

RESOLUTION NO. 2021R-144

**A RESOLUTION CASTING THE VOTES OF THE CITY FOR
THE ELECTION TO THE BEXAR APPRAISAL DISTRICT
BOARD OF DIRECTORS**

Mayor Rosenthal asked Council for a motion to approve Resolution No. 2021R-144 casting 9 votes for Ms. Trish DeBerry for the Bexar Appraisal District Board of Directors. Councilmember Lawson Jessee moved to approve the nomination as requested. Motion was seconded by Mayor Pro Tem Lynda Billa Burke and passed by unanimous vote.

After discovering Ms. DeBerry will be resigning as County Commissioner to run for County Judge, Councilmember Jessee motioned to reconsider nomination for the Bexar Appraisal District Board of Directors. Motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

Mayor Rosenthal asked Council to consider nominating another candidate in place of Ms. DeBerry. Councilmember Jessee moved to approve nomination for Ms. Cheri Byrom. Motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

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Items for Individual Consideration

Item # 5 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 866F, request of Robert Benke of Greenlife Construction, applicant, representing Retama Funding, LLC, owner, for the significance review of the existing main structure located at 260 Retama in order to demolish 100% of the existing single-family residence

Community Development Services Department Director Lety Hernandez stated the request was for the significance review of the existing main structure located at 260 Retama for the demolition of 100% of the existing structure. The property is zoned Single-Family A (SF-A) and is located between Vanderhoeven and N. New Braunfels.

Ms. Hernandez reviewed the current site plan and pictures of the existing conditions of the main and accessory structures. Staff found no historical or architectural significance; however, a new construction would require compatibility review by the Architectural Review Board (ARB) and Council as required under Demolition Ordinance 1860.

The Architectural Review Board heard the request at their November 30, 2021 meeting and voted unanimously to declare the existing main structure as not significant recommending 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 four responses in support, and no other responses on this case.

Councilmember Jessee moved to approve ARB Case No. 866F as requested. The motion was seconded by Councilmember Sharples and passed by unanimous vote.

Item # 6 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 867F, of Manuel G. Gonzalez of MG Builders, applicant, representing Gary Jacobs, owner, for the compatibility review of the proposed design located at 203 Grant in order to construct a new single-family residence with attached accessory structure

Ms. Hernandez stated the request was for the compatibility review of the proposed design located at 203 Grant in order to construct a new single-family residence with attached accessory structure. The property is zoned Single-Family A (SF-A) and is located between Torcido and Morton.

Ms. Hernandez informed Council, the ARB had considered the request for significance of the main structure and recommended approval of demolition on September 18, 2018. On October 08, 2018, City Council approved the recommendation and the structure was demolished.

Ms. Hernandez reviewed the proposed roof, and site plans noting the building height of 21ft 8-½ inches and exterior finish materials of stucco and limestone siding with a barrel tile roof.

In terms of policy analysis, Ms. Hernandez noted the proposed lot coverage is 35.08% under the maximum allowed in a SF-A zone. The proposed floor area ratio is 38.79%, under the maximum of 47% with bonuses. The applicant is requesting to use 0.02 bonus for alley access to the required covered parking.

The ARB heard the request at their November 30, 2021 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 no other responses on this case.

Councilmember Blake Bonner moved to approve ARB Case No. 867F as requested. The motion was seconded by Councilmember Sharples and passed by unanimous vote.

Item # 7 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 868F, request of Myles Caudill of Caudill Homes, owner, for the compatibility review of the proposed main structure located at 533 Normandy in order to construct a new single-family residence with detached accessory structure

Ms. Hernandez stated the request was for the compatibility review of the proposed main structure located at 533 Normandy in order to construct a new single-family residence with detached accessory structure. The property is zoned Single-Family A (SF-A) and is located between Alamo Heights and Greely.

On April 20, 2021, the ARB considered the request for significance of the main structure and recommended approval of demolition. On May 10, 2021, City Council approved the recommendation.

Ms. Hernandez reviewed the proposed site plans with building height of 28 ft 5 inches. The proposed exterior finish materials are hardie siding with composition shingle roof and standing seam metal accent over the front porch.

In terms of policy analysis, Ms. Hernandez noted the proposed lot coverage is 31.76% under the maximum of 40% allowed in a SF-A zone. The proposed floor area ratio is 43.91%, under the maximum of 47% with bonuses. The applicant is requesting to use 0.02 bonus for single story accessory structure.

The ARB conducted the compatibility review at their November 30, 2021 meeting and voted unanimously to recommend approval of the 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 no responses on this case.

Mayor Pro Tem Billa Burke moved to approve ARB Case No. 868F as requested. The motion was seconded by Councilmember John Savage and passed by unanimous vote.

Item # 8 Mayor Rosenthal read the following caption.

Discussion and possible action to authorize and execute a sublease agreement with Heights Pool, LTD. to continue to operate the City's swimming pool located at 250 Viesca

City Manager Buddy Kuhn presented a sublease agreement to Heights Pool, Ltd. for the operation of the City's swimming pool at 250 Viesca with a 10-year term for fee due to the City of \$30,000 for Years 1 & 2 and \$35,000 for Years 3 to 10. Height Pool, Ltd. has been a subleasee since February 1990.

Mr. Kuhn stated the original lease agreement was with the City of San Antonio for property in the Olmos Basin area dated Apr. 24, 1947. The lease extended to 2058, with possible extension to Feb. 28, 2098. The City constructed and maintained the swimming pool, concession area and related facilities which were recently renovated. On Feb. 26, 1990, the City agreed to a sublease agreement with Heights Pool, Inc. to assume operations of the facility. The sublease agreement was for a 10-year renewal with Heights Pool, Ltd. on Dec. 19, 2001 for \$20,000 per year and 10-year renewal for \$30,000 per year on May 10, 2010 which expires on Dec. 31, 2021.

A pending agreement with Heights Pool, Ltd. is for 10 years and expires on Dec. 31, 2031. The pool may operate between Apr. 1 to Oct. 31 with the hours of operation between 6:00 a.m. to 10:00 p.m. The agreement allots \$30,000 annual fee to City & will increase to \$35,000 per year in Year 3 (2024) for remainder of term.

Mr. Kuhn stated the City had explored an expansion of the lease agreement beyond recreational use; however, it would require a zone change and the City of San Antonio's (COSA) approval. City Attorney Frank Garza added the City would have to approach COSA to see if they would be willing to discuss expansion of the agreement.

Mr. Rick Shaw of Heights Pool, Ltd. stated the community appreciated the "facelift" the City provided to the facility and stated it had been a good season this year. He shared there were many opportunities for expansion such as extended hours, a coffee shop, or dive-in movies; however, it is dependent on the lease agreement. He thanked the City for allowing him to operate the facility for so many years.

After some discussion, Mayor Pro Tem Billa Burke moved to authorize and execute a sublease agreement with Heights Pool, LTD. to continue to operate the City's swimming pool located at 250 Viesca. The motion was seconded by Councilmember Savage and passed by unanimous vote.

Item # 9 Mayor Rosenthal read the following caption.

Consideration and possible action of approving the use of American Rescue Plan Act (ARPA) funding for one-time hazard payouts for certain eligible city employees relating to COVID 19

Mr. Kuhn stated the City will receive \$2,134,428 as part of the American Rescue Plan Act (ARPA). Half of the funds, \$1,067,214, were received in August 2021. The other half will be received one year later in August 2022. He stated ARPA specified uses for the funds to include: response to COVID 19 - mitigation and prevention, revenue loss; water, sewer and broadband upgrades, and premium pay for essential workers.

Together with Assistant City Manager Phil Laney, and Finance Director Robert Galindo, Mr. Kuhn explored funding for one-time hazard payouts for eligible employees. A timeframe was established from March 01, 2020 - May 31, 2021. A one-time payout with max being \$3,000 or \$100 per pay check for those working during this timeframe would be allotted. The amounts will differ, dependent on employee tenure, worker's compensation, paid parental leave, or other absences.

Mr. Kuhn explained some employees are exempt from compensation due to 150% rule that determines workers may not receive premium pay if it increases total pay above 150% of residing state's average annual wage for all occupations. The intent of 150% rules is to prioritize those employees under 150% threshold, but does not limit other employees from consideration with justification. The Texas current average is $\$52,400 \times 150\% = \$78,600$ total which means any supervisor or other high paid non-supervisors with total compensation of $\$78,400$ are excluded, yet, these employees had no option but to report for duty during the pandemic.

The ARPA Rules and Regulations are defined in the May 2021 federal register pages 26,797 - 26,799. The exception to the 150% rule states the chief executive has discretion to include additional employee sectors to the list by publicly providing written justification and reporting to the treasury department.

Mr. Kuhn noted other local governments and private sector employers have also provided premium pay to essential employees. He stated 83 of 101 FTE employees are eligible along with 2 part-time workers eligible at 50% of an FTE. A total of 16 FTE employees who are Department Directors, City Manager, Assistant City Manager, and certain other employees will not receive hazard pay. The proposal was coordinated with Mayor Bobby Rosenthal, Mayor Pro Tem Lynda Billa Burke, Councilmember John Savage, and the City Attorney.

If approved by Council, it will be a total fiscal impact of $\$227,400$ plus $\$55,395$ in fringe benefits totaling $\$282,795$. The remaining budget balance of $\$1,851,633$ will be available for future Council projects. The remaining funds have to be appropriated by December 2024 and spent by December 2026.

Mr. Kuhn stated he identified this as an opportunity to reward and take care of employees who worked through the pandemic to ensure the continuity of government. Mayor Rosenthal agreed with the use of ARPA funds for hazard pay. Councilmember Savage added it was important to help employees during these times and offset cost of living.

Councilmember Sharples agreed to using the funds for hazard pay; however, he was concerned with additional "strings" attached. Mr. Kuhn stated none had been identified by the City Attorney other than needing to provide the information publicly, provide written justification and reporting it to the U.S. Treasury Department.

After further consideration, Mayor Pro Tem Billa Burke made a motion to amend the agenda item to include all eligible employees for a one-time hazard payout. The motion was seconded by Councilmember Jessee and passed by unanimous vote.

Councilmember Sharples moved to accept the amended motion and include all eligible employees for a one-time hazard payout using ARPA funds. The motion was seconded by Councilmember Bonner and passed by unanimous vote.

Ms. Donna Balin, resident, inquired if there were restrictions on how the City would utilize the remaining $\$1.8M$ ARPA funds. Mr. Kuhn stated there were limitations. These funds could only be used for certain things such as response to COVID 19 - mitigation and prevention, revenue loss, or water/sewer and broadband upgrades.

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Item # 10 Mayor Rosenthal read the following caption.

Discussion and possible action to authorize the City Manager to execute the Assignment and Assumption Agreement from Catto & Catto to HUB International for Insurance Broker Services

Assistant City Manager Phil Laney stated Catto & Catto has been the City's insurance broker for employee insurance benefits. In November 2021, Catto & Catto was purchased by Hub International Inc. Staff requests Council to consider action to assign the current insurance broker contract to Hub International Inc. The acquisition will not change services or terms of the contract or employee benefits.

Mr. Laney stated in 2016 Financial Benefit Services (FBS) in partnership with Catto & Catto became the City's insurance broker. In 2018 Catto & Catto became the sole broker with fees remaining at the initial \$26,500 per year. In 2020, Catto & Catto increased their annual fee to \$27,030 per year.

Historically, Catto & Catto have consistently provided quality insurance broker services to the city since 2016. In accepting the assignment to Hub International, Inc., the City will continue with the current contract services and terms.

Mr. Laney advised the City Manager and City Attorney reviewed the assignment and assumption agreement from Catto & Catto to Hub International, Inc. The City would have no additional fiscal impact other than the agreed annual fee of \$27,030. The contract is for three years.

Councilmember Jessee moved to authorize the City Manager to execute the Assignment and Assumption Agreement from Catto & Catto to HUB International for Insurance Broker Services. The motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

Item # 11 Mayor Rosenthal read the following caption.

Authorizing the purchase of a Freightliner M2-160 Chassis and transfer of packer body from old garbage truck to new chassis

Director of Public Works Pat Sullivan stated staff was seeking approval to purchase a 2022 Freightliner M2-106 Chassis for rear load refuse body via a BuyBoard Cooperative Contract.

Mr. Sullivan shared some background stating last August, garbage truck #23 blew a piston and was estimated at \$37,000 to replace the motor. Unit #23 is a 2000 model International Harvester. He advised it was best to replace the entire chassis while having the packer body moved from #23 to the new truck. The packer body is about 5 years old.

The City is a member of BuyBoard Cooperative which provides a wide variety of goods and services for governmental entities. The cost for the vehicle was secured thru BuyBoard Co-

op contract price and it has a two-year manufacturer's warranty. Purchasing the vehicle is cost effective over the continued repair of a worn and outdated vehicle where parts are difficult to attain.

Mr. Sullivan stated the total cost to purchase is \$89,422, which is within the estimate funds for capital replacement; although, this was not budgeted in the Capital Replacement for FY 21/22. He added an agreement is in the works for Reliance Truck and Equipment to refurbish and transfer the packer as needed for no more than \$12,000. This brings the total purchase and transfer not to exceed \$101,422.

Councilmember Jessee moved to authorize the purchase of a Freightliner M2-160 Chassis and transfer of packer body from old garbage truck to new chassis as presented. The motion was seconded by Mayor Pro Tem Billa Burke and passed by unanimous vote.

Item # 12 Mayor Rosenthal read the following caption.

Authorizing the purchase of two F-250 Crew Cab 4x4 diesel pickup trucks

Mr. Sullivan stated staff request approval to purchase two 2022 F-250 4x4 Crew Cab pickups, one for Public Works and another for Utility.

Currently, Public Works has two pickups in need of replacement, unit #37 and unit # 7. He stated both units are in rough shape while nearing their useful life and current market for used vehicles are at a premium. The preliminary trade in is \$20,000 for both, but will be updated at time of the transaction. Additionally, Utility has unit #40, a 4x4 F-250 with over a 100K miles. This unit will be transferred to Public Works.

Mr. Sullivan stated 4x4 ¾ ton pickups are used to haul heavy equipment to various vendors or locations within the City and added the ability to move the equipment themselves, maintains versatility, while reducing cost of contract haulers.

On October 12, 2021, the City advertised in the *San Antonio Express-News* requests for bids for two (2) 2022 F-250 Crew Cab Diesel trucks. One bid was submitted from Cavender Grande Ford on November 12, 2021.

Mr. Sullivan advised purchasing the vehicles is cost effective over the continued repair of worn vehicles in inventory. The transfer of unit #40 from Utilities to Public Works will help keep the mileage under control while still utilizing the vehicles ability to haul. He added there is only one pickup assigned to the Utility Department which is utilized by the Superintendent.

The cost of each pickup is \$45,895.00, a total cost of \$91,790.00 for both vehicles. Funds to purchase these were budgeted in Capital Replacement for FY 2022. Any funds collected from trade-ins for the existing units will be deposited in Capital Funds account.

Councilmember Jessee moved to authorize the purchase of two F-250 Crew Cab 4x4 diesel pickup trucks as presented. The motion was seconded by Councilmember Sharples and passed by unanimous vote.

Item # 13 Mayor Rosenthal read the following caption.

ORDINANCE NO. 2182

AN ORDINANCE AMENDING THE ADOPTED GENERAL FUND OPERATING BUDGET FISCAL YEAR 2021-22 FOR \$80,000 TO PLAN AND DEVELOP COMMUNITY ACTIVITIES AND EVENTS TO CELEBRATE THE CITY'S 100-YEAR ANNIVERSARY

Finance Director Robert Galindo stated staff requested approval of an ordinance amending the adopted General Fund operating budget FY 2021-22 for \$80,000 to plan, develop and coordinate community activities and events to celebrate Alamo Heights' 100-Year anniversary. The adopted budget for the General Fund has a positive fund balance of \$230,935. The Administration expenditure budget within the General Fund will be increased by \$80,000. The General Fund budget after the amendment will be \$150,935.

Mr. Galindo informed Council CE Group was selected to develop, strategize scheduling and marketing of centennial activities and events with city leaders, the community and city staff. The preliminary budget was \$20,000. He stated the costs estimated for this fiscal year include: CE Group - \$39,500, Banners for Poles - \$48,600, Street Banners - \$ 1,800, Harvest Baskets - \$3,000, Dog Treats - \$300, Contingency - \$6,800, for a total of \$100,000. Additional work needs to continue with planning, coordinating, and marketing of the centennial community events.

The proposed budget amendment is in line with strong financial management practices to budget funds for city events and projects and is consistent with the Strategic Action Plan to celebrate and commemorate Alamo Heights' 100-year anniversary. The funds are available in the current budget and has been reviewed by city staff.

Mayor Rosenthal stated Assistant to City Manager Jennifer Reyna had spent many hours planning and organizing many events which will lead up to the celebration. CE Group was engaged to help with the actual event. The fee of \$39,500 was to get to Phase II of the planning.

Mr. Kuhn agreed. Additional funding would be requested for the last phase of the celebration. The fee for Phase II was to help with planning the event since the City did not have staff to dedicate full-time for the planning of the event.

Councilmember Bonner noted 40% of the overall cost of \$100,000 was to pay for CE Group's fee. He questioned the services they would be providing for this fee. Mr. Kuhn apologized and stated he had not provided Council with CE Group's agreement; however, he would send it to them the next day.

Mayor Rosenthal suggested Council move to approve the budget amendment without the CE Group fee. Mr. Kuhn stated he would bring CE Group for individual consideration in January.

Councilmember Bonner moved to approve amending the adopted General Fund Operating Budget Fiscal Year 2021-22 for \$80,000, to plan and develop community activities and events to celebrate the City's 100-Year Anniversary with the caveat that CE Group will be

brought to Council for consideration at a future meeting. The motion was seconded by Councilmember Sharples and passed by unanimous vote.

Item # 14 Mayor Rosenthal read the following caption.

RESOLUTION NO. 2021R-145

**A RESOLUTION OF THE CITY OF ALAMO HEIGHTS
ADOPTING THE ALLOCATION METHOD FOR OPIOID
SETTLEMENT PROCEEDS AS SET FORTH IN THE STATE OF
TEXAS POLITICAL SUBDIVISIONS' OPIOID ABATEMENT
FUND COUNCIL AND SETTLEMENT ALLOCATION TERM
SHEET; AND SETTING AN EFFECTIVE DATE**

Mr. Kuhn stated on May 13, 2020, a settlement was reached between Texas AG and a negotiation group from political subdivisions and multiple drug companies that engaged in fraudulent/reckless marketing and distribution of opioids that resulted in addition and overdoses.

At the November 10th council meeting, City Attorney Frank Garza made a staff report to council advising of the breakdown of the settlement. It would be allocated in 3 allotments, 15%, 15% and 70%. The first 15% of the settlement can be used for safety considerations and placed in the General Fund. The 2nd and 3rd amounts have very specific uses and additional reporting requirements.

Mr. Kuhn stated the settlement process is consistent with State Law and is recommended to approve by the State Attorney General and City Attorney. Any future allocations requests would come before Council for approval. The initial allotment payout is \$28,198. Staff will identify areas where funds can be utilized.

Mr. Garza reminded Council the State is being very lenient in the use of the initial funds. The City can use the \$28,198 for anything that qualifies as public safety and offered the example of installing lights at a basketball court to deter youth from engaging in drug use.

Councilmember Jessee moved to approve Resolution No. 2021R-145 as presented. The motion was seconded by Councilmember Sharples and passed by unanimous vote.

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Staff Reports

Item # 15 Mayor Rosenthal read the following caption.

**Presentation of Financial and Investment Report for the fourth quarter
ending September 30, 2021**

Mr. Galindo reported on the fourth quarter financial and investment report for FY2021 which includes unaudited numbers for the General Fund Revenues & Expenditures, Utility Fund Revenues & Expenditures, Capital Projects Fund, Investment Portfolio Update, and a Summary

of City's Financial Position. The General Fund total revenue is \$10,997,459 or 99% of the budget and is consistent with the past several years. The revenues have been doing well despite the ongoing pandemic. The property tax collections ended at \$6,898,963 for the year. The sales tax revenue has continued to be positive with total ending at \$2.1M compared to last year's \$1.961M.

Mr. Galindo stated the General Fund expenditures account for 92% of the budget. This does include the budget transfer approved by Council for the lower Broadway project ending the fund at positive \$39,670. He stated all departments ended within budget.

The Utility Fund total revenue was \$4,375,727 and total expenditure was \$3,435,429 which was 92% of the budget. Utility fund operating expenses were \$3,380,358 which was 75% of budget. The revenue collected included the last of the utility fee increase which Council approved and began in 2019. The funds collected through utility fees will be used for projects throughout the City.

The Capital Projects Fund beginning fund balance for the fiscal year was \$178,282 with a transfer in of \$945,000. The Capital fund balance also includes 2021 Bond Proceeds of \$13,250,000 for a total balance of \$14,195,000. Expenditures through the end of September were \$70,332 which were due to the Olmos Basin Clean-up, making swimming pool restrooms ADA compliant, and lower Broadway project.

Mr. Galindo reviewed the investment portfolio which includes CDs with Generations FCU and Jefferson Bank, a savings account with Jefferson Bank and several investment pools. He added that the 2021 Bond proceeds and the ARPA funds received were placed in the investment pool separate from the General Fund in the event of an audit. The City will know exactly where these funds are and what they were used for. The overall investment portfolio balance was \$28,110,375. The average yield for the investment portfolio was 0.09% as compared to the 90-Day Treasury benchmark of 0.05%.

Mr. Galindo stated the report 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 4th Quarter Performance Summary:

PERFORMANCE THROUGH END OF THE 4TH QUARTER or 100% OF BUDGET			
	% of Budget	Current Quarter	YTD Quarter
GENERAL FUND			
Total Revenues	99%	Positive	Positive
Total Expenditures	92%	Positive	Positive
Total Property Tax Collections	99%	Positive	Positive
Sales Tax Revenues	108%	Positive	Positive
ENTERPRISE FUND			
Utility Fund Revenues	114%	Positive	Positive
Utility Fund Expenditures	92%	Positive	Positive

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Closed Session

Item # 16 Mayor Rosenthal read the following caption.

Executive Session per Section 551.071 (consultation with attorney) to discuss Broadway infrastructure construction

Item # 17 Mayor Rosenthal read the following caption.

Executive Session per Section 551.074 (personnel matters) to discuss City Manager contract

The City Council of the City of Alamo Heights convened into Executive Session at 7:19 p.m. and reconvened in Open Session at 8:15 p.m. in accordance with the Texas Open Meetings Act, Texas Government Code, *Section §551.071 (Consultation with Attorney)*, and *§551.074 (Personnel Matters)*.

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Open Session

Item # 18 Mayor Rosenthal read the following caption.

Discussion and possible action resulting from Executive Session

No action taken.

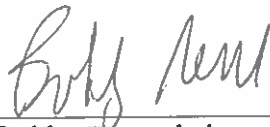
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With no further business to consider, Councilmember Jessee moved to adjourn the meeting at 8:16 p.m. The motion was seconded by Councilmember Bonner and passed by unanimous vote.

PASSED AND APPROVED THIS 10th DAY OF JANUARY, 2022.


Elsa T. Robles, TRMC
City Secretary




Bobby Rosenthal
Mayor