

**CITY OF SHAVANO PARK  
PLANNING & ZONING COMMISSION MEETING  
CITY HALL, COUNCIL CHAMBERS  
900 SADDLETREE COURT, SHAVANO PARK, TEXAS 78231  
April 5, 2023**

**6:30 P.M.**

**This notice is posted pursuant to the Texas Open Meetings Act. Notice hereby given that the Planning & Zoning Commission of the City of Shavano Park, Texas will conduct a Regular Meeting on Wednesday, April 5, 2023 6:30 p.m. at 900 Saddletree Court, Shavano Park City Council Chambers.**

The meeting agenda and agenda packet are posted online at [www.shavanopark.org](http://www.shavanopark.org).

**Telephone Participation.** The public toll-free dial-in number to participate in the telephonic meeting is 1-877-853-5247 and requires access code 891-5687-7426. The Livestream / telephone conference will be available to join at 6:00 p.m. (30 minutes prior to the meeting). If you have issues accessing Telephone Participation or Livestream, please call City Secretary Trish Nichols at 210-581-1116.

**AGENDA**

1. Call to order
2. Vote under Section 36-69 of the Shavano Park City Code (“Code”) concerning a finding that each of the items following item 2 on the agenda are “planning issues” or otherwise prescribed Planning & Zoning Commission duties under 36-69(l) of the Code or the severance of one or more of such items for an individual vote on such item or items.
3. The Planning and Zoning Commission welcomes “Citizens to be Heard.” If you wish to speak, you must follow these guidelines. **As a courtesy to your fellow citizens and out of respect to our fellow citizens, we request that if you wish to speak that you follow these guidelines.**
  - Pursuant to Resolution No. R-2019-011 citizens are given three minutes (3:00) to speak during “Citizens to be Heard.”
  - Members of the public may only speak once and cannot pass the individual’s time allotment to someone else
  - Direct your comments to the entire Commission, not to an individual member
  - Show the Commission members the same respect and courtesy that you expect to be shown to youThe Chairman will rule any disruptive behavior, including shouting or derogatory statements or comments, out of order. Continuation of this type of behavior could result in a request by the Mayor that the individual leave the meeting, and if refused, an order of removal. In compliance with the Texas Open Meetings Act, no member of the Commission may deliberate on citizen comments for items not on the agenda. (Attorney General Opinion – JC 0169)
4. Consent Agenda:
  - A. Approval - Planning & Zoning Commission minutes, March 1, 2023

5. Public Hearing - The purpose of the public hearing is to receive comments from members of the public regarding an application for a Special Use Permit for the purposes of electric vehicle charging stations at 3611 Paesanos Parkway by USIO, Inc.
6. Discussion / action - Application for a Special Use Permit for the purposes of electric vehicle charging stations at 3611 Paesanos Parkway by USIO, Inc. – City Manager / Assistant City Manager
7. Presentation / discussion - Shavano Park Commercial and Residential Development Semi-annual Presentation - Bitterblue, Inc. / Denton Communities
8. Public Hearing - The purpose of the public hearing is to receive comments from members of the public regarding the City’s Public Infrastructure focus area of the Town Plan
9. Discussion – Third review of the Public Infrastructure focus area of the 2023 Town Plan - City Manager / Assistant City Manager
  - 9.a. Review and discussion – Public Infrastructure Survey results
  - 9.b. Review and discussion – Public Infrastructure Draft write-up
10. Discussion – First review of the Long-term City Finances focus area of the 2023 Town Plan - City Manager / Assistant City Manager
  - 10.a. Presentation – Overview of current City long-term financial projections and analysis
  - 10.b. Review and discussion – Long-term City Finances draft survey
  - 10.c. Review and discussion – Long-term City Finances draft write-up
11. Report / update - City Council items considered at previous City Council meetings and discussion concerning the same - City Manager
12. **Chairman Announcements:**
  - A. Advise members to contact City staff to add new or old agenda items.
  - B. Advise members of pending agenda items:
    - i. May: *Long-term City Finances* public hearing and second review
    - ii. May: *Public Infrastructure* fourth review
    - iii. May: Introduce the final Town Plan 2023 document review
    - iv. Ordinance to fix the mistaken 2017 B-2 PUD re-zoning of Lots 1701 & 1702 in Block 21, CB 4782E (Lynd Building / Pond Hill Restaurant) by formally re-zoning the lots back to MXD

### 13. **Adjournment**

#### **Accessibility Statement:**

The City of Shavano Park City Hall is wheelchair accessible. The entry ramp is located in the front of the building. Accessible parking spaces are also available in the front and sides of the building. Sign interpretative services for meetings must be made 48 hours in advance of the meeting. Call the A.D.A. Coordinator at 817-447-5400 or TDD 1-800-735-2989.

#### **Decorum Required:**

Any disruptive behavior, including shouting or derogatory statements or comments may be ruled out of order

by the Presiding Officer. Continuation of this type of behavior could result in a request by the Presiding Officer that the individual leave the meeting, and if refused, an order of removal.

**Action by Commission Authorized:**

The Planning and Zoning Commission may vote and/or act upon any item within this Agenda. The Commission reserves the right to retire into executive session concerning any of the items listed on this Agenda, pursuant to and in accordance with Texas Government Code Section 551.071, to seek the advice of its attorney about pending or contemplated litigation, settlement offer or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflict with the Open Meetings Act and may invoke this right where the City Attorney, the Mayor or a majority of the Governing Body deems an executive session is necessary to allow privileged consultation between the City Attorney and the governing body, if considered necessary and legally justified under the Open Meetings Act. The City Attorney may appear in person, or appear in executive session by conference call in accordance with applicable state law.

**Executive Sessions Authorized:**

This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

**Attendance by Other Elected or Appointed Officials:**

It is anticipated that members of City Council or other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the above named Shavano Park Planning and Zoning Commission is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin boards, of the City Hall of said City Shavano Park, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted on this the 31 March 2023 at 2:13 p.m. and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

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Trish Nichols  
City Secretary

**1. Call to order**

Chairman Laws called the meeting to order at 6:32 p.m.

**PRESENT:**

Carla Laws

Donna Beladi

Lori Fanning

Shawn Fitzpatrick – arrived at 6:37pm

Vickey Maisel

Bill Simmons

William Stipek

Song Tan

**ABSENT:**

Cindy Teske

**2. Vote under Section 36-69 of the Shavano Park City Code (“Code”) concerning a finding that each of the items following item 2 on the agenda are “planning issues” or otherwise prescribed Planning & Zoning Commission duties under 36-69(l) of the Code or the severance of one or more of such items for an individual vote on such item or items.**

Upon a motion made by Commissioner Tan and a second made by Commissioner Simmons the Planning & Zoning Commission voted five (5) for and one (1) opposed, (Commissioner Maisel), to approve the agenda as it was provided to the Planning & Zoning Commission. The motion carried.

**3. Citizens to be Heard.**

No one in the public signed up to address the Planning and Zoning Commission.

**4. Consent Agenda:**

- a. Approval - Planning & Zoning Commission minutes, February 1, 2023

Upon a motion made by Commissioner Fanning and a second made by Commissioner Beladi, the Planning & Zoning Commission voted six (6) for and none (0) opposed, to approve the Planning & Zoning Commission minutes of February 1, 2023 as presented. The motion carried.

**5. Public Hearing – The purpose of the public hearing is to receive comments from members of the public regarding the proposed plat and replat to combine 206 Box Oak (Lot 1516, County Block 4773A) with un-platted lot County Block 472 P-49C ABS 482**

The Public Hearing opened at 6:34 p.m.



Assistant City Manager Leeth presented comments from members of the public regarding the proposed plat and replat to combine 206 Box Oak (Lot 1516, County Block 4773A) with un-platted lot County Block 472 P-49C ABS 482.

The Public Hearing closed at 6:37 p.m.

**6. Discussion / action – Plat and Replat to combine 206 Box Oak (Lot 1516, County Block 4773A) with un-platted lot County Block 472 P-49C ABS 482 - City Manager / Assistant City Manager**

City Manager Hill and Assistant City Manager Leeth provided an overview of the Plat and Replat to combine 206 Box Oak (Lot 1516, County Block 4773A) with un-platted lot County Block 472 P-49C ABS 482

Commissioners asked questions and discussed the replat with Salvador Flores, P.E., Owner & Civil Engineer at Bendicion Engineering, LLC.

Upon a motion made by Commissioner Tan and a second by Commissioner Beladi, the Planning & Zoning Commission voted seven (7) for and none (0) opposed to approve the Plat and Replat to combine 206 Box Oak (Lot 1516, County Block 4773A) with un-platted lot County Block 472 P-49C ABS 482. The motion carried.

**7. Public Hearing – The purpose of the public hearing is to receive comments from members of the public regarding the proposed replat to subdivide Lot 10, County Block 4787 of Napier Park Unit-3 (PUD) subdivision into three separate lots proposed as Lots 11, 12 and 13, County Block 4787**

The Public Hearing opened at 6:44 p.m.

Assistant City Manager Leeth, presented comments from members of the public regarding the proposed replat to subdivide Lot 10, County Block 4787 of Napier Park Unit-3 (PUD) subdivision into three separate lots proposed as Lots 11, 12 and 13, County Block 4787.

The Public Hearing closed at 6:48 p.m.

**8. Discussion / action – Replat to subdivide Lot 10, County Block 4787 of Napier Park Unit-3 (PUD) subdivision into three separate lots proposed as Lots 11, 12 and 13, County Block 4787 - City Manager / Assistant City Manager**

City Manager Hill and Assistant City Manager Leeth, provided an overview of the replat to subdivide Lot 10, County Block 4787 of Napier Park Unit-3 (PUD) subdivision into three separate lots proposed as Lots 11, 12 and 13, County Block 4787.

Commissioners asked questions and discussed the replat with Brooke Lindholm, P.E., Senior Project Manager with Pape – Dawson Engineers, Inc.

Upon a motion by Commissioner Tan and a second by Commissioner Beladi, the Planning & Zoning Commission voted seven (7) for and none (0) opposed to approve the replat to subdivide Lot 10, County Block 4787 of Napier Park Unit-3 (PUD) subdivision into three separate lots proposed as Lots 11, 12 and 13, County Block 4787. The motion carried

**9. Discussion – Second review of the Public Infrastructure focus area of the 2023 Town Plan - City Manager / Assistant City Manager**

**9.a. Review and discussion – Public Infrastructure draft write-up**

**9.b. Review and discussion – Public Infrastructure draft survey**

City Manager Hill and Assistant City Manager Leeth, presented the second review of the draft write-ups and draft survey on the Public Infrastructure focus area of the 2023 Town Plan.

The Commission reviewed and discussed the second review of the draft write-ups and draft survey on the Public Infrastructure focus area of the 2023 Town Plan. The Commission gave guidance to staff; no action was taken.

**10. Discussion – Third and final review of the Municipal Talent Management and Retention focus area focus area of the 2023 Town Plan - City Manager / Assistant City Manager**

City Manager Hill and Assistant City Manager Leeth, presented the third and final review of the Municipal Talent Management and Retention focus area focus area of the 2023 Town Plan.

The Commission reviewed and discussed the third and final review of the Municipal Talent Management and Retention focus area focus area of the 2023 Town Plan. The Commission gave guidance to staff; no action was taken.

**11. Report / update - City Council items considered at previous City Council meetings and discussion concerning the same - City Manager**

City Manager Hill provided an overview of items considered at the previous City Council meeting.

**12. Chairman Announcements:**

- a. Advise members to contact City staff to add new or old agenda items.
- b. Advise members of pending agenda items:
  - i. April: *Public Infrastructure* Public Hearing and Third Review

ii. April: Introduction of *Long-term City Finances*

Ordinance to fix the mistaken 2017 B-2 PUD re-zoning of Lots 1701 & 1702 in Block 21, CB 4782E (Lynd Building / Pond Hill Restaurant) by formally re-zoning the lots back to MXD

**13. Adjournment**

Upon a motion made by Commissioner Maisel, and a second made by Commissioner Tan, the Planning & Zoning Commission voted seven (7) for and none (0) opposed to adjourn the meeting at 8:53 p.m. The motion carried.

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Carla Laws,  
Chairman

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Trish Nichols,  
City Secretary

## PLANNING & ZONING STAFF SUMMARY

Meeting Date: April 5, 2023

Agenda item: 5 / 6

Prepared by: Curtis Leeth

Reviewed by: Bill Hill

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### **AGENDA ITEM DESCRIPTION:**

5. Public Hearing - The purpose of the public hearing is to receive comments from members of the public regarding an application for a Special Use Permit for the purposes of electric vehicle charging stations at 3611 Paesanos Parkway by USIO, Inc.

6. Discussion / action - Application for a Special Use Permit for the purposes of electric vehicle charging stations at 3611 Paesanos Parkway by USIO, Inc. – City Manager / Assistant City Manager

X

#### **Attachments for Reference:**

- 1) 5a USIO Special Use Permit Application
- 2) 5b Draft Special Use Permit Ordinance

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**BACKGROUND / HISTORY:** On March 24, 2023 the City received an application from USIO, Inc. for the placement of an electric vehicle charging station at their company location of 3611 Paesanos Parkway (see attachment 5a). Application requests a special use permit to operate a single, high speed, DC electric vehicle charging station at USIO building. Usage will be free for USIO employees and the station will be open to the public 24x7 and will be a “fast” EV charging station that is open to all electric car brands.

Electric Vehicle (EV) Charging Stations (CC) are listed as an allowed “CC” (City Council) use under B-1 and B-2 zoning districts in Chapter 36, Article VI. Tables. This means they require a special use permit granted by Planning & Zoning Commission and City Council under Sec. 36-101:

#### **Sec. 36-101. Special use permits for certain uses in districts O-1, B-1, and B-2.**

The City Council may, after public hearing and notice to all parties affected, and after recommendation of the Planning and Zoning Commission containing such requirements and safeguards as are necessary to protect adjoining property, authorize the development of the uses designated as "CC" uses for zoning districts O-1, B-1, and B-2.

- (1) **Public hearing.** City Council and the Commission shall hold public hearings in compliance with Article III of this chapter. The purpose of such hearings shall be to determine that such use will not adversely affect the character of the area or the neighborhood in which it is proposed to locate; will not substantially depreciate the value of adjacent and nearby properties; will be in keeping with the spirit and intent of this chapter; will comply with applicable standards of the district in which located; and will not adversely affect traffic, public health, public utilities, public safety, and the general welfare.
- (2) **Application.** All applications for CC uses shall be submitted to the Zoning Administrative Official with site plans drawn to scale and showing the general arrangement of the project, together with the

essential requirements, such as off-street parking facilities, locations of buildings and uses to be permitted, means of ingress and egress to public streets, the type of visual screening such as walls, planting and fences, the location and existing ownership of adjacent residences and buildings, and the location and area of coverage of all outside lighting, especially any which might shine into an adjacent residential area. The Zoning Administrative Official shall file the application and report same to the Planning and Zoning Commission.

- (3) *Criteria.* In recommending a CC use under the conditions specified, the Planning and Zoning Commission shall determine that such uses are harmonious with and adaptable to buildings, structures, and uses of abutting property and other property in the vicinity of the premises under consideration, and shall make recommendations as to requirements for the paving of streets, alleys, and sidewalks, means of ingress and egress to public streets, provisions for drainage, adequate off-street parking and protective screening and open space, and other matters.
- (4) *Conditions.* No CC use shall be permitted unless the applicant and owner of the property shall in writing accept and agree to be bound by and comply with the terms imposed for such CC use, in writing and in such form as may be approved by the City Council.
- (5) *Board without jurisdiction.* The Board of Adjustment shall not have jurisdiction to hear, review, reverse, or modify any decision, determination, or ruling with respect to the granting, extension, revocation, modification, or any other action taken relating to CC uses.
- (6) *Amendment.* Every CC use granted under the provisions of this section shall be considered as an amendment to the Zoning Ordinance as applicable to such property. In granting such CC use, the City Council may impose conditions which shall be complied with by the grantee for use of the buildings on such property.
- (7) *Note on map.* Final action of the City Council shall be noted, as soon as practicable, on the official Zoning District Map and on any other administrative copies, as to the location of property and type of use permitted by each CC use approved as herein provided.

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**DISCUSSION:** 3611 Paesanos Parkway is currently zoned B-2 and lies within a business subdivision called Shavano Park Unit 19B, Phase II (a portion of the Paesanos Parkway business community).

Staff reviewed Sec. 36-101(1)'s criteria for determining whether the proposed use will adversely affect the character of the area of neighborhood. Our review concludes that electric vehicle chargers at 3611 Paesanos Parkway will not substantially depreciate the value of adjacent properties, will comply with all the City's zoning regulations and will not adversely affect traffic, public health, utilities, safety or the general welfare of the immediate vicinity. Draft Ordinance granting the special use permit is attachment 5b.

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**COURSES OF ACTION:** Approve recommendation to issue a special use permit to USIO, Inc. for Electrical Vehicle Charging Stations (CC) use at 3611 Paesanos Parkway; impose additional conditions; or decline entirely and provide guidance to staff.

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**FINANCIAL IMPACT:** N/A

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**MOTION REQUESTED:** Motion to approve a recommendation to issue a special use permit to USIO, Inc. for Electrical Vehicle Charging Stations at 3611 Paesanos Parkway



USIO  
Nasdaq Listed



March 24, 2023

Trish Nichols  
City Secretary  
City of Shavano Park Planning and Zoning Commission  
900 Saddletree  
Shavano Park, Texas 78231

Via Email: [citysecretary@shavanopark.org](mailto:citysecretary@shavanopark.org)

RE: 3611 Paesanos Parkway

**Application for Special Use Permit (districts O-1, B-1 and B-2) for an Electric Vehicle Charging Station**

Dear Zoning Commission Members,

Usio is a fintech Nasdaq listed, public company that provides payment processing services to many industries including municipalities, counties, utilities and financial institutions. While we have employees throughout the USA, our corporate office is located in Shavano Park and we have over 70 employees officing at Paesanos Parkway. Our company is celebrating its 25th year of existence and is positioned to exceed \$80MM in sales in 2023.

We are seeking the approval of a special use permit to operate a single, high speed, DC electric vehicle charging station at our building. While usage will be free for our employees, the station will be open to the public 24x7 and will be 1 of 11 “fast” EV charging stations that are open to all electric car brands. It will also be the only one in Shavano Park. Currently, there are 10 “fast” chargers located in the San Antonio area – 8 at Wal-mart of Thousand Oaks Rd, 1 at North Star Mall and 1 at La Cantera Mall. None of which are convenient for Shavano Park citizens or for persons that work in Shavano Park.

We plan to locate the charging station behind our building where there is ample parking spaces and it is not visible from the street. See the attached diagrams and photos.



Main 210.249.4100  
Fax 210.249.4130



3611 Paesanos Parkway, Suite 300  
San Antonio, Texas 78231



[www.usio.com](http://www.usio.com)  
[info@usio.com](mailto:info@usio.com)

We respectfully request that the City of Shavano Park Planning and Zoning Commission and City Council approve our request to both our benefit and the citizens of Shavano Park.

Thank you for your consideration. Please email or call me with any questions.

Very truly yours,



Louis Hoch, MBA, CPP  
President and CEO

[Louis.hoch@usio.com](mailto:Louis.hoch@usio.com)  
210.249.4050 Direct  
210.834.2500 Cell



**Main** 210.249.4100  
**Fax** 210.249.4130

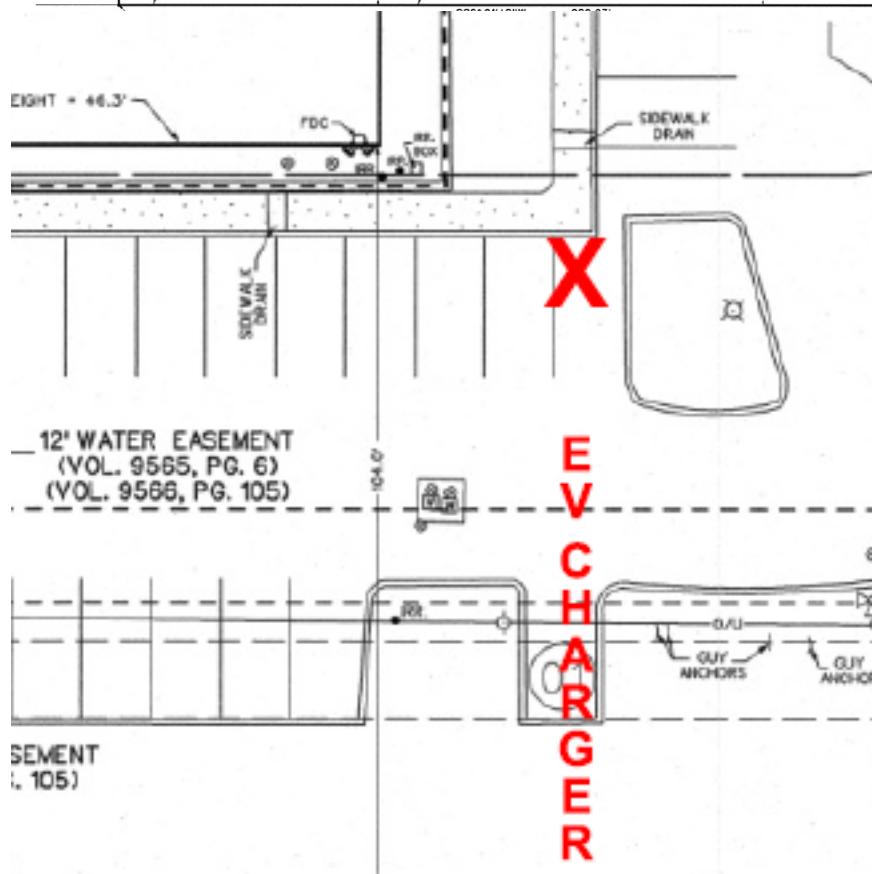


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## Back of building



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**ORDINANCE NO. O-2023-0XX**

**AN ORDINANCE APPROVING A SPECIAL USE PERMIT FOR ELECTRIC VEHICLE CHARGING STATIONS AT COUNTY BLOCK 4782E, BLOCK 25, LOT 2025 OF SHAVANO PARK UNIT-19B PHASE II (3611 PAESANOS PARKWAY); PROVIDING FOR PENALTIES; PROVIDING FOR A CUMULATIVE & CONFLICTS CLAUSE, PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

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**WHEREAS**, Chapter 211 of Texas Local Government Code empowers the City Council of the City of Shavano Park to enact zoning regulations and provides for their administration, enforcement and amendment; and

**WHEREAS**, USIO, Inc. requested a special use permit for Electric Vehicle Charging Stations at 3611 Paesanos Parkway, a property in a B-2 zoned business district; and

**WHEREAS**, the City Council may authorize the development of the uses designated as "CC" uses for zoning districts O-1, B-1, and B-2 as required under Chapter 36 Section 101 of the City's Code of Ordinances; and

**WHEREAS**, the City Council of the City of Shavano Park has complied with all notice of a public hearing as required by the Code of Ordinances of the City of Shavano Park; and

**WHEREAS**, it is the intent of the City Council to provide harmony between existing zoning districts and proposed land uses; and

**WHEREAS**, the City Council determines that such use will not adversely affect the character of the area or the neighborhood in which it is proposed to locate; will not substantially depreciate the value of adjacent and nearby properties; will be in keeping with the spirit and intent of Chapter 36 of the Code of Ordinances of the City of Shavano Park; will comply with applicable standards of the district in which located; and will not adversely affect traffic, public health, public utilities, public safety, and the general welfare.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHAVANO PARK, TEXAS, THAT:**

**I  
SECTION**

**THAT** a special use permit for Electric Vehicle Charging Stations is granted to 3611 Paesanos Parkway, Shavano Park, Texas 78231.

## **II CUMULATIVE CLAUSE**

This Ordinance shall be cumulative of all provisions of ordinances of the City of Shavano Park, Texas, except where the provisions of the Ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

## **III SEVERABILITY**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

## **IV EFFECTIVE DATE**

This Ordinance shall become effective immediately upon its passage, approval and publication as provided by law.

## **V OPEN MEETINGS**

That it is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meeting Act, Chapter. 551, Local Government Code.

**PASSED AND APPROVED** on the first reading by the City Council of the City of Shavano Park this the 24th day of April, 2023.

**PASSED AND APPROVED** on the second reading by the City Council of the City of Shavano Park this the \_\_\_\_ day of \_\_\_\_\_, 2023.



**CITY OF SHAVANO PARK, TEXAS**

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**Robert B. Werner, Mayor**

**ATTEST:**

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**Trish Nichols, City Secretary**

## PLANNING & ZONING STAFF SUMMARY

Meeting Date: April 5, 2023

Agenda item: 7

Prepared by: Curtis Leeth

Reviewed by: Bill Hill

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### **AGENDA ITEM DESCRIPTION:**

**Presentation / discussion - Shavano Park Commercial and Residential Development Semi-annual Presentation - Bitterblue, Inc. / Denton Communities**



**Attachments for Reference:**

1) Presentation at meeting

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**BACKGROUND / HISTORY:** Bitterblue / Denton traditionally present a semi-annual update of Residential and Commercial Development. Bitterblue / Denton presented the last semi-annual update to Planning & Zoning at the August 3, 2022 meeting.

This presentation was given to City Council at their March 27, 2023 meeting.

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**DISCUSSION:** Presentation will be made by Mr. Daryl Lange, head of Commercial Marketing for Bitterblue.

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**COURSES OF ACTION:** Not an action item.

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**FINANCIAL IMPACT:** N/A

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**MOTION REQUESTED:** Not an action item.

## PLANNING & ZONING STAFF SUMMARY

Meeting Date: April 5, 2023

Agenda item: 8 / 9

Prepared by: Curtis Leeth

Reviewed by: Bill Hill

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### **AGENDA ITEM DESCRIPTION:**

8. Public Hearing - The purpose of the public hearing is to receive comments from members of the public regarding the City's Public Infrastructure focus area of the Town Plan

9. Discussion – Third review of the Public Infrastructure focus area of the 2023 Town Plan - City Manager / Assistant City Manager

9.a. Review and discussion – Public Infrastructure Survey results

9.b. Review and discussion – Public Infrastructure Draft write-up

X

### **Attachments for Reference:**

1) 9a Public Survey results as of 3/31 @ 9AM

2) 9b Draft writeup TRACK CHANGES

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**BACKGROUND / HISTORY:** At the November 2, 2022 Planning & Zoning Meeting, the Commission selected Public Infrastructure for the 5<sup>th</sup> focus area of the Town Plan.

At the February 1, 2023 Planning & Zoning meeting the *Public Infrastructure* writeup and survey was introduced. Due to short time to draft the packet combined with the size and detail of the focus area and survey it was decided to re-introduce the focus area at March 1, 2023 meeting.

At the March 1, 2023 Planning & Zoning meeting *Public Infrastructure* writeup and survey was re-reviewed and guidance given to staff. The survey was released March 6 on City website, all City social media channels, TextMyGov, I-INFO and an article put in the Roadrunner newsletter. Between March 6 and March 31, only 35 responses were received (see attachment 9a).

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**DISCUSSION:** This is the still the first review of the *Public Infrastructure* focus area of the Town Plan 2023.

### **City Staff need guidance on two items:**

1. Give feedback on draft focus area write-up (item 8b)

Month	Public Infrastructure
Feb & March	Intro
April	Review + PH
June	Final

Minor changes made to the write-up after the March 1 meeting after guidance at the meeting. Here is a brief summary of changes:

- Added pedestrian crossings to NW Military project
- Changed Cliffside “trailhead” to “access point”
- Added asbestos water quality testing info to AC pipe discussion

- Wordsmithing edits to improve consistency, readability and grammar
- Minor edits in water write-up from WAC Chairman Al Walea

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**COURSES OF ACTION:** N/A; give guidance to staff.

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**FINANCIAL IMPACT:** N/A

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**MOTION REQUESTED:** N/A; give guidance to staff on:

1. Give feedback on focus area write-up (item 9b)

## **Town Plan 2023: Public Infrastructure Survey**

Summary (as of Fri, March 31, 2023 @ 9AM)

- **Responses:** 35 respondents
- Respondents were not required to answer every question, so total answers by question vary.
- Survey used IP-filtering for security. A manual check for irregularities (like fake addresses) did not spot any fake submissions.

### Question 3 Summary

#### **Immediate Challenge: What do you like or what are your concerns with Phase 1 Street Project?**

- Open-ended comment box; 28 comments submitted
- Responses varied but generally:
  - Believed the project was needed
  - Believed the new streets will improve community attractiveness
  - Concerns with traffic impacts
  - Doubts it can be completed for \$10M; concerns with project delays and cost overruns

**Q3 Immediate Challenge: Phase 1 Old Shavano Park Street Reconstruction Bond Project** The \$10M 2022 Bond Project allows the City to completely reconstruct the streets in the worst condition. It includes 2 components: (1) complete reconstruction of the streets of Bent Oak, Chimney Rock, Cliffside, End Gate, Fawn, Saddletree, Shavano, Wagon Trail, Windmill and (2) complete reconstruction of the cul-de-sacs of Elm Spring, Honey Bee, Hunters Branch, Hunters Branch South, and Turkey Creek. See the image below for the reconstruction standard. To learn more about this project visit <https://www.shavanopark.org/streetbond> This project will reconstruct 6 miles of streets. In addition, gas service lines and many water service lines will be upgraded in Old Shavano Park east of NW Military. This will be the largest construction project in the City's history. What do you like about this Phase 1 project and what are your greatest concerns?

Answered: 28 Skipped: 7

#	RESPONSES	DATE
1	I am for street improvements all over the city. However, I live on Happy Trail and we have the horrible chip seal which was installed years ago. We still have piles of chip was down the streets on a regular basis. This surface is dangerous to walk on. I know dozens of people who catch their feet on rough spots and twist their ankles. This surface is not at all appropriate for a city street. We should be on the list to get a new street surface. We have lived with this subpar street for over a decade. It is terrible!	3/21/2023 9:58 PM
2	My greatest concern is the volume of heavy trash and recycle trucks driving on our streets that currently and are continuing to drive on and destroy our streets. Can the trash trucks be cut to once a week? Issue two cans (at no extra charge) to large families and only have heavy trucks once a week. We pay too much in street repair due to the trucks. It would be cheaper to have more cans issued to those who need them. That would be very few residences.	3/17/2023 9:04 AM
3	I like the fact that the streets will not be crumbling on the edges, filling in cracks with tar, and hopefully will have a better base and asphalt integrity than the last replacement. I hope there is a ribbon curb on either side of the road so it won't crumble. I'm hoping that they tie into our cement driveway will be a good quality one. Probably my greatest concern is just the dust from the dirt road, and the amount of time it will be torn up.	3/16/2023 10:53 PM
4	My greatest concern is who is paying for relocation of water and gas lines. SAWS users and the gated communities should not be paying for the Old Shavano Park upgrades. SAWS users who comprise over 1/2 of Shavano Park tax payers) already pay for SAWS upgrades in the SAWS water areas and should not be liable for old Shavano Park upgrades. Why does the City keep ignoring this?	3/16/2023 7:23 PM
5	It is logical to address the streets most at need. Clearly, it based on age of existing streets. I appreciate the diagram however it is "greek" to me. I would only hope consideration has been made not to cut corners to keep costs at a minimum and use materials that will last many years. You did not say what the life span is for the new roads.	3/16/2023 2:14 PM
6	It is time for a complete reconstruction instead of temporary repairs that in the end require more time and \$\$.	3/16/2023 2:01 PM
7	It needs to be done but like all construction it is inconvenient and messy.	3/16/2023 3:48 AM

8	Like- needs to be done Concern- How long will it take to really be completed	3/15/2023 8:42 PM
9	It's wonderful for these streets to be updated. Concerns would be the accessibility to these streets during the reconstruction period.	3/15/2023 3:30 PM
10	I like that the streets are being taken care of before reaching a critical stage and that upgrades will be done simultaneously. Cost overruns would be my greatest concern.	3/15/2023 3:18 PM
11	Work is needed. Project is very slow	3/15/2023 3:11 PM
12	It is better to keep up with maintenance and this will never be cheaper than today. Needs to be done.	3/15/2023 3:00 PM
13	Newer water and gas ensuring less breakage	3/15/2023 2:39 PM
14	I am very glad that the streets will be redone. My greatest concern is traffic flow and access to my home while the construction is taking place.	3/10/2023 4:46 PM
15	A big project but seems needed.	3/10/2023 3:10 PM
16	I fully support the upgrading of city streets and the impact it has on the long-term attractiveness of our city. It is necessary to continue to attract home buyers for our upscale homes. Streets contribute considerably to overall attractiveness of neighborhoods.	3/10/2023 1:08 PM
17	my fear is 10 million may not cover the whole project	3/10/2023 12:57 PM
18	Yes. We need formal access to Salado greenway	3/10/2023 12:38 PM
19	Cost over runs are a concern	3/10/2023 12:17 PM
20	I like updating service lines and roads. Greatest concern how that might affect NW Military traffic.	3/6/2023 7:21 PM
21	Seems necessary	3/6/2023 4:57 PM
22	Doubt it can be completed for the \$10 million Not sure that all the complex and ornate mailboxes should be rebuilt to existing type and style considering virtually all of them are on public right of way in the first place. I think some of the original replacement cost should be borne by the homeowner. Glad the ribbon curbs were added other wise it would have been a waste of money	3/6/2023 4:21 PM
23	Very much needed upgrades	3/6/2023 3:06 PM
24	Love the idea of sidewalks so that we can safely walk. We live in a cul-de-sac which gives us limited walking opportunity unless we want to cross NW Military.	3/6/2023 2:39 PM
25	I like that it should help the damaged streets to last many years in the future. The only concern I have is the potential disruption of traffic.	3/6/2023 2:37 PM
26	Good to upgrade it. Just hoping it doesn't disrupt traffic too much on military.	3/6/2023 1:23 PM
27	I don't live on those streets but if the improvements are needed, they should be made.	3/6/2023 1:09 PM
28	I like the possibility of extending natural gas to my house. I want paved access to Salado Creek Greenway. Paved access to the greenway from Cliffside is highest priority for me. The greenway is an extraordinary and unique public resource provided to us that Shavano Park is not taking full advantage of at this point. Paved access is a must.	3/6/2023 12:37 PM



#### Question 4 Summary

### **Immediate Challenge: What do you like or what are your concerns regarding the De Zavala project?**

- Open-ended comment box; 31 comments submitted
- Responses varied but generally:
  - Support for sidewalks and improved bike lanes
  - Support for sight-line improvements
  - Concerns with traffic during construction
  - Concerns with access to homes during construction

**Q4 Immediate Challenge: Phase 1A De Zavala Federally Funded Project** De Zavala Road will be improved in 2024 using Federal funds. The four goals of the project are: (1) install a 54 inch drain pipe under the street to convey all water currently spilling from the Municipal Tract towards homes on Ripple Creek/Painted Post, (2) re-pave the street, (3) add raised sidewalks, bike lanes and 2 feet of buffer between the bike lane and car lane, (4) reduce the height of the hill near Bikeway by about 2.25 feet to improve sight lines. The project is still in engineering and plans are not yet finalized. What do you like about this Phase 1A project or what are your basic concerns regarding the De Zavala project plans?

Answered: 31 Skipped: 4

#	RESPONSES	DATE
1	We need better sight lines.	3/21/2023 9:58 PM
2	My biggest concern is the volume of water that will suddenly hit the bottom of the dip as the slope is changed.	3/17/2023 9:04 AM
3	I'm thinking part of the project should include a beautification of the corner at NW Military in dezavala. This is a classy neighborhood, and we need a beautiful monument with excellent landscaping design for the corner. It's the most highly viewed corner of our neighborhood. I would put some money toward that.	3/16/2023 10:53 PM
4	Construction seems to be the theme. If NW Military Hwy is under construction and DeZavala are under construction, traffic flow is directed to Lockhill Selma creating more and more traffic. The speeding on Lockhill Selma is worse and police monitoring seems to not be increased, thus we are getting high traffic and speeding on Lockhill. This can only get worse with more construction.	3/16/2023 7:23 PM
5	Adding sidewalks and bikeways is a big plus. Traffic disruption is always a concern.	3/16/2023 2:18 PM
6	It all sounds good and I would hope the residents affected will be pleased.	3/16/2023 2:14 PM
7	De Zavala has needed improvements for a while. Many cyclists and runners/walkers use this road so it will be much safer with sidewalks and bike lanes and I know the residents on Ripple Creek/Painted Post will appreciate the drain pipe! De Zavala has and will continue to be more heavily traveled on so the hill grade change will make the road much safer as well.	3/16/2023 2:01 PM
8	It needs to be done.	3/16/2023 3:48 AM
9	Needs to be done Concern Will a sidewalks be connected	3/15/2023 8:42 PM
10	Concerns would be the time frame no accessibility during the project.	3/15/2023 3:30 PM
11	Like the drainage fix and sidewalks, bike lanes, safety features. Concerned that the road will become too wide and more traffic will result. Also reducing the height of the hill will remove some of the charm of the area. Make it more generic.	3/15/2023 3:18 PM
12	None	3/15/2023 3:11 PM
13	My basic concern is the bike lanes. Bikers rarely obey traffic safety laws and should not be allowed on roads with speed limits over 30 mph. They simply occupy space that could be used for cars and add to impervious cover.	3/15/2023 3:00 PM
14	sidewalk	3/15/2023 2:59 PM

15	Safety for walkers and bikers	3/15/2023 2:39 PM
16	Each goal sounds great, but I'd like to confirm the entrance to our driveway will not be affected.	3/12/2023 8:08 AM
17	Biggest concerns are time it will take and traffic flow.	3/10/2023 4:46 PM
18	Honestly I don't see that many bikers. Seems like a waste of taxpayer money.	3/10/2023 3:10 PM
19	I live on Ripple Creek and support this project as it will greatly reduce the flooding that occurs with every rain - even if only half an inch of rain because it travels a great distance and accumulates.	3/10/2023 1:08 PM
20	hopefully the federal funds will cover the project	3/10/2023 12:57 PM
21	Formal access to greenway	3/10/2023 12:38 PM
22	Like the improvement to street width addition of sidewalks. Concern - drainage could be reduced in size as there already existing drainage that has been effective.	3/10/2023 12:17 PM
23	Like reduction of hill and bike lanes and sidewalk. Concern is traffic on Dezavala during construction.	3/6/2023 7:21 PM
24	Our home borders on De Zavala. How long will our driveway be blocked off? How much closer will cars be driving to our house? How much louder? When the green space was cleared behind our house it GREATLY increased the traffic noise and lights in our back yard. We were NOT warned that everything would be cleared right up to our fence line. We have been here since 1991 and never had an issue with drainage but I can see the drainage pipe along our property will help others. BTW we have numerous Indian artifacts come up whenever we put in a new fence. The pipe dig will undoubtedly turn up more.	3/6/2023 4:57 PM
25	Would much prefer that bike lane and sidewalks were lever to each other to allow for emergency bicycle bailout from traffic or obstacle avoidance	3/6/2023 4:21 PM
26	Good idea	3/6/2023 3:06 PM
27	Any projects that reduce the likelihood of flooding are good. No concerns other than potential traffic disruption	3/6/2023 2:37 PM
28	I love this!! I'm afraid to ride near busy roads but this would make me feel safe! High time our city became bike and pedestrian-friendly! Bravo. Let's do it on military.	3/6/2023 1:23 PM
29	N/A	3/6/2023 1:09 PM
30	These upgrades take the rustic out of living in Shavano park.	3/6/2023 12:56 PM
31	I like bike lanes	3/6/2023 12:37 PM

### Question 5 Summary

#### **Long-term Challenge: Street Project Phases 2, 3 and 4**

- Open-ended comment box; 24 comments submitted
- Responses varied but generally:
  - Glad the City is being pro-active; planning-ahead
  - Concerns with Happy Trail chip seal breaking up

**Q5 Long-term Challenge: Phasing the Maintenance of City Streets** The phasing and prioritization of street maintenance will be key to ensure financing remains feasible and manageable. City Staff has put together this long-term plan to meet the challenge of maintaining the City's streets as follows:

**PHASE 2 - Old Shavano Park West neighborhood** (neighborhood north of City Hall) The streets in this area were built in the 1970s and are in decent condition largely because of their curbs and newer age than Old Shavano Park East. Estimated timeline to address: in 5 years.

**PHASE 3 - Shavano Creek and Shavano Estates.** These streets were built in the late 1970s - 1980s and are in good to decent condition. Estimated timeline to address: in 10 years.

**PHASE 4 - Lockhill-Selma and Pond Hill.** These two major thoroughways were constructed in the early to mid 2000s and are still in excellent condition. The City anticipates with regular maintenance such as seal coating and crack sealing these streets can endure for many more years. Estimated timeline to address: in 15 years.

To learn more about these long-term plans visit <https://www.shavanopark.org/streetbond> Note the subdivisions of Bentley Manor, Huntington and Pond Hill Garden Villas and Willow Wood are private streets managed by a HOA.

What are your concerns with this long-term street maintenance plan?

Answered: 24 Skipped: 11

#	RESPONSES	DATE
1	Happy Trail is in terrible shape. We have the nasty chip seal. Please see my previous comments. In no way can our street be construed as in good shape.	3/21/2023 9:58 PM
2	Seems good. The cut off from NW Military, running by the deli and what a burger to 1604 gets heavy use. It may need more maintenance than is allowed in this plan	3/17/2023 9:04 AM
3	None yet	3/16/2023 10:53 PM
4	The private streets residents pay for their street maintenance. Do not make the gated community residents also pay for the rest of Shavano Park streets. The City contracted to maintain the medians on Lockhill Selma next to Bentley Manor, and most of the time they are neglected. Thus Bentley Manor and the gated communities receive no City services except police and fire, but are required to pay taxes for all of SP residents. It's time to correct this and ask the City to appropriate expenses to those who use the services.	3/16/2023 7:23 PM
5	Again, it makes sense but I would like to know if the City will have a reserve account for setting aside funds for future street maintenance and/or special projects. If not, what is the plan for raising funding for future road maintenance.	3/16/2023 2:14 PM
6	Everything has to be maintained long term. If you do it correctly, you will save \$\$ and time.	3/16/2023 2:01 PM
7	Glad the city is being proactive.	3/16/2023 3:48 AM

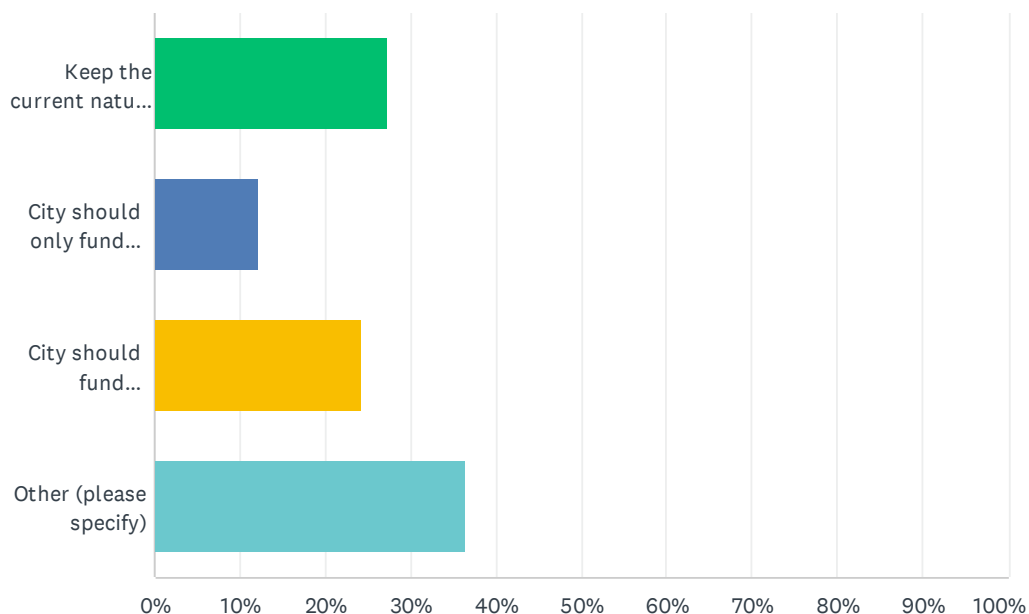
8	Will entrances to Estate section from NW Military to both Warbler Way entrance/exits be assessed when full of water from rain and be reconstructed to raise them sufficiently to prevent the standing water that happens currently.	3/15/2023 8:42 PM
9	None	3/15/2023 3:18 PM
10	None	3/15/2023 3:11 PM
11	the mess from construction, the traffic and the noise	3/15/2023 2:59 PM
12	119 Long Bow Road	3/15/2023 2:39 PM
13	Sounds reasonable	3/10/2023 3:10 PM
14	It appears to be a well thought out plan and financially prudent.	3/10/2023 1:08 PM
15	none at this time	3/10/2023 12:57 PM
16	No concerns but we need to have formal accretion to greenway. Every other neighborhood has formal, safe access	3/10/2023 12:38 PM
17	We should continually budget for improvements	3/10/2023 12:17 PM
18	None	3/6/2023 4:57 PM
19	Potentially overlapping street bonds leading to increasing tax rates.	3/6/2023 4:21 PM
20	Happy Trail pavement is horrible. Very loose gravel. Dangerous for walking running biking and driving	3/6/2023 3:06 PM
21	No concerns. These sound like well-thought-out and appropriate plans.	3/6/2023 2:37 PM
22	Just make sure there aren't any bottlenecks for residents. Thanks!	3/6/2023 1:23 PM
23	N/A	3/6/2023 1:09 PM
24	Do not change the curbs on Turkey creek like the new disgusting curbs being done where you turn in from military.	3/6/2023 12:56 PM

Question 6 Summary  
**Access to Salado Creek Greenway on Cliffside**

- Residents had three options or could select "Other" and write in their own thoughts for what Cliffside access point should look like.
- 12 comments submitted
- *Answers and comments* were mixed in either supporting or not supporting an improved access to the Salado on Cliffside

Q6 Access to the Salado Creek Greenway Trail on CliffsideSan Antonio has created a public trail access near 1604 and Blattman Elementary. Huntington HOA is constructing a private gated access trail to the Salado as well. The only other access point to San Antonio's Salado Creek Greenway in Shavano Park is the southern Cliffside natural trail. The City has made some improvements to the Cliffside pathway but has sought to preserve a natural footpath. The existing path is difficult for bicyclists and has several rough spots. There is also no available space for parking and street parking is not allowed. Some residents who participated in the Town Plan process so far expressed desire for improved accessibility on the trail similar to the paved and gated access like Inwood HOA in San Antonio. There are difficulties creating a similar trail due to challenges funding the re-grading of the path and ability for the City to put up a gate to monitor and control access.What would you like Shavano Park to do with the Cliffside Trail access point to Salado Creek Greenway?

Answered: 33 Skipped: 2





ANSWER CHOICES	RESPONSES	
Keep the current natural walking path; provide only limited improvements within minimal funding	27.27%	9
City should only fund improved trail access only if a gated/controlled access can be implemented and City of San Antonio partners to help pay for the design and construction	12.12%	4
City should fund improvements for the trail to be made accessible to bicyclists and those with limited mobility even if a gate/controlled access cannot be implemented	24.24%	8
Other (please specify)	36.36%	12
TOTAL		33

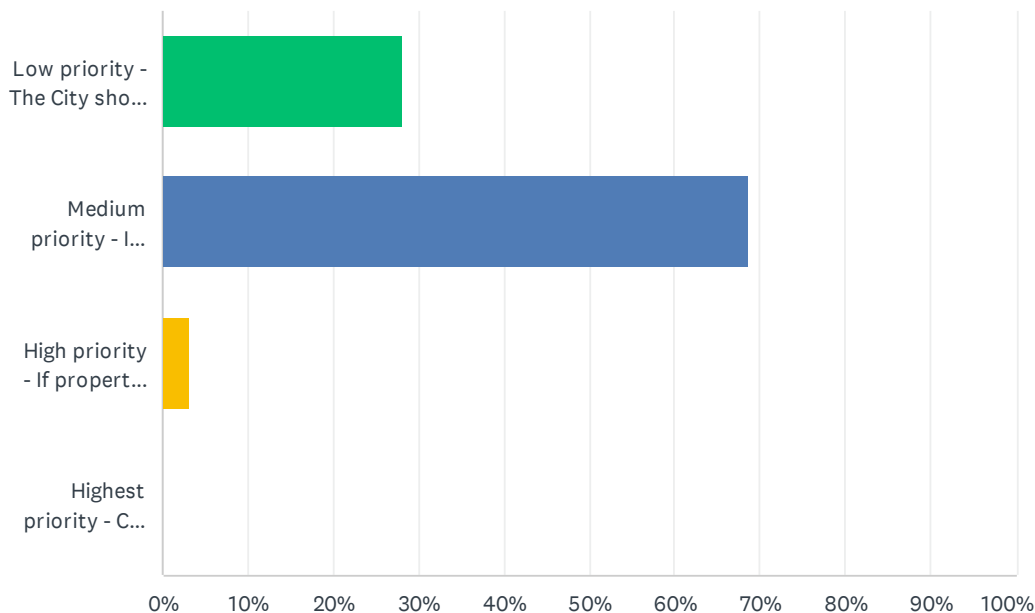
#	OTHER (PLEASE SPECIFY)	DATE
1	I strongly urge the city to make the greenway safely accessible for residents with all ability levels. The greenway is an amazing recreation area. Shavano Park is one of the very few communities with direct access to the greenway. We should make the most of this opportunity for current residents and as a way to attract more new families to Shavano Park. We need families with young children in our city to renew and revitalize and counter balance our aging population.	3/21/2023 9:58 PM
2	Keep the current natural walking path, provide only limited improvements within minimal funding AS improving it with a gate and parking will simply invite more garbage tossed on the ground, more cars parking incorrectly - blocking the safety of the street corner and if people are going to drive their bikes or driving to walk, they can go to already established areas. Keep the residential area, on Cliffside, residential and not a park thoroughfare.	3/17/2023 9:04 AM
3	I do think that there should be gate controlled access that those who want to use it pay for. Perhaps a magnetic card that allows access that the resident can purchase. I do think it's worth improving it so that baby strollers of mothers who live in the neighborhood, and bicycles can more easily access the Salado trail. I do not think however, we need a big access like Inwood has. I'm not opposed to the city, paying for the trail modification. But I do think there should be controlled access that residence can choose to pay for or not.	3/16/2023 10:53 PM
4	I have talked to residents on Cliffside, and most of them do not want this public access to Cliffside. It would increase parking and traffic on Cliffside. The residents on Cliffside value their privacy and quiet neighborhood, so why would the City want to change this?	3/16/2023 7:23 PM
5	I have personally not seen the area in question so may not be best qualified to offer an opinion. Logically, if those residents most affected (east of NWM) who have expressed they want gates, trails etc. are they willing to have taxes raised or another bond? Based on the dilemma explained here, it sounds like this expense may end up more than the City or all SP residents would want to incur.	3/16/2023 2:14 PM
6	I have not accessed Salado Creek via the Cliffside Trail	3/16/2023 2:01 PM
7	I'm not knowledgeable enough to comment	3/15/2023 2:39 PM
8	I'd love to see the trail access improved. Controlled access would welcomed.	3/10/2023 4:46 PM
9	Need this -	3/10/2023 12:38 PM
10	Parking needed	3/6/2023 4:57 PM
11	I am an avid rider but I think this is a non starter. Better to use the existing trailhead at 1604 To expensive for VERY little use by residents and we don't need to use our tax dollars to provide a nice feature for non residents ( like the expensive playground facilities at CH)	3/6/2023 4:21 PM
12	This is of utmost importance Please build access to the greenway Should be a highest priority	3/6/2023 3:06 PM

Question 7 Summary  
**Drainage Project Prioritization**

- No respondents supported eminent domain (if necessary) at *highest priority*
- Only 1 respondent supported *high priority*
- Strong majority supported *medium priority* (68.75%)
- 6 Comments submitted

**Q7 Drainage Plans for Future** Between 2017 and 2022, the City spent \$1.1M on drainage projects and exhausted its capital reserves for drainage. Federal funding has been approved to complete a major drainage project to redirect storm water runoff in a pipe down De Zavala to the Olmos basin and away from the homes on Bikeway, Ripple Creek and Painted Post. Two remaining identified projects total \$4.4M to achieve and are beyond City reserves. Both projects propose to install storm sewer to capture water currently above ground and carry it underground to the Olmos Creek basin (see map - blue is potential underground storm sewer to run alongside the street). The Turkey Creek/Honey Bee project would mitigate the flood risk to the homes within the current 100-year floodplain. The Elm Spring project would prevent the roadway becoming flooded in even small rain events as it is today. Both projects are likely to require agreement with property owners to construct improvements on private property to reach the Olmos Creek basin. How do you feel these drainage projects should be prioritized? Select one of the options below. You may also leave a comment explaining your answer.

Answered: 32 Skipped: 3



ANSWER CHOICES	RESPONSES	
Low priority - The City should pursue grant funding from State or Federal, even if that means years until funded	28.13%	9
Medium priority - If property owner cooperation is achieved, the City should wait and package these drainage projects when the streets are reconstructed into a single project in the future	68.75%	22
High priority - If property owner cooperation is achieved, the City should issue debt to accomplish these projects	3.13%	1
Highest priority - City should issue debt to accomplish these projects as soon as possible and secure drainage easements, even up to using eminent domain if necessary, to complete the projects	0.00%	0
TOTAL		32

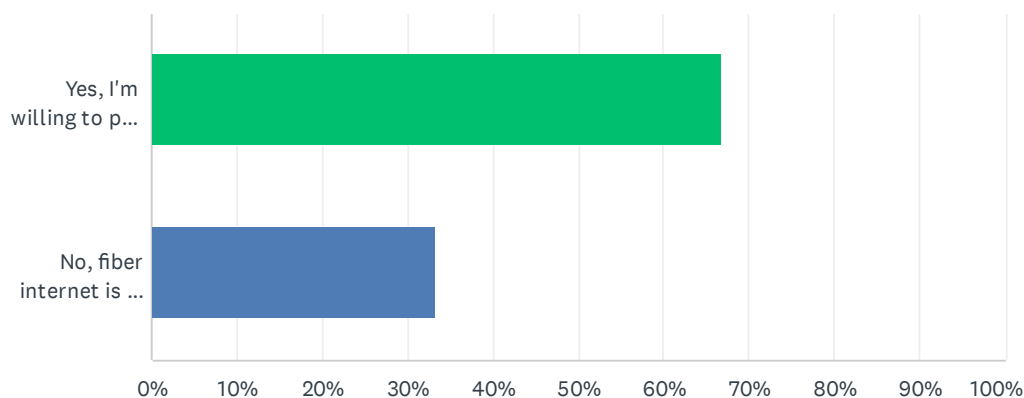
#	YOU MAY LEAVE A COMMENT:	DATE
1	Were these houses built in a known flooding area? If so the homeowners need to take responsibility for their poor choices. When ALL SP residences have to pay for individual foolishness of building sites or poor construction planning it is a case of robbery of your neighbors	3/17/2023 9:04 AM
2	Should pursue grant funding from the state or federal well property. Owner corporation is being sought. I think wait a little while for sure to package the project with Street reconstruction. It would be a lot cheaper.	3/16/2023 10:53 PM
3	Checking off Medium shouldn't mean the City pursuing funding from State or Federal, although I have no idea how long it took to get the funding for DeZavala. No one wants to see any of our homes or property flooded. If packaging it all together is too large, can it be broken down by need?	3/16/2023 2:14 PM
4	Even though a medium priority was selected, the city should still pursue grant funding.	3/10/2023 1:08 PM
5	Drainage is a done deal that wasn't addressed properly decades ago. Most of the issues that need to be addressed are on private property and could be tremendously expensive and disruptive to fix now.	3/6/2023 4:21 PM
6	I don't even feel this needs to be done.	3/6/2023 12:56 PM

Question 8 Summary  
**City's Digital Infrastructure**

- 66.67% of respondents stated willing to pay more to get fiber internet
- 33.33% of respondents stated fiber internet not important enough to them
- 9 comments submitted
  - Several residents who already have AT&T fiber internet responded

**Q8 City's Digital Infrastructure: Home Internet Speed** The City has limited influence over the private investment decisions of internet service providers (ISPs), but in recent years many residents, staff and Council members questioned why Shavano Park did not have fiber direct to home like some other surrounding neighborhoods. In 2022, the City Council created a resident-volunteer Internet working group to work with ISPs to encourage bringing fiber internet to Shavano Park. This vision was to have fiber internet directly into the homes and businesses of Shavano Park across the City to meet the digital demands of the future. Fiber internet allows 1+ Gigabit per second speeds and greater internet reliability. If you don't have fiber internet today, would you be willing to pay more in your monthly internet bill to get fiber internet? You may also tell us your experience with fiber internet if you have it today.

Answered: 30 Skipped: 5



ANSWER CHOICES	RESPONSES	
Yes, I'm willing to pay more for fiber internet	66.67%	20
No, fiber internet is not important enough to me to pay more	33.33%	10
TOTAL		30

#	YOU MAY LEAVE A COMMENT HERE:	DATE
1	Internet is a private business. SP City needs to issue permits. Maybe y'all could invite the additional lines BEFORE THE STREETS ARE REPAVED!!!! But I do not see that our SP Government needs to be tyrannical mandating businesses to do things that are not beneficial to the business. I'm not thrilled to pay more but I could. I don't care if my service is any faster than it currently is.	3/17/2023 9:04 AM
2	I have to say yes on this one. I was not happy to find out SP was excluded. My office is the furthest back from our modem and I constantly have issues, especially in a larger home.	3/16/2023 2:14 PM
3	We have AT&T fiber internet but they had to run the fiber from two houses down and bury it in	3/16/2023 2:01 PM

the yard which they didn't bury it well at all. Our speed is better than it was but we expected it to be much faster.

4	I have fiber internet now.	3/15/2023 8:42 PM
5	But it depends on the provider	3/15/2023 2:59 PM
6	Our ATT upgrade is still slow	3/15/2023 2:39 PM
7	At&T fiber has been reliable and a good service.	3/10/2023 3:10 PM
8	Access to trail off cliffside is my highest priority	3/10/2023 12:38 PM
9	I have fiber based high speed internet	3/6/2023 1:09 PM

### Question 9 Summary

#### **Shavano Pak Water Utility long-term challenges**

- Open-ended comment box; 16 comments received
- Many interesting comments received.



**Q9 Shavano Park Water Utility Long-term Challenges (Not for SAWS customers in Shavano Creek, Huntington, Bentley Manor, Willow Wood, Pond Hill Garden Villas or De Zavala Estates)** The Shavano Park Water Utility has performed numerous upgrades to the system in recent years necessitated by the TxDOT NW Military Highway project and the City's 2022 Street Bond Project. In both instances, the lowering or moving of water lines is necessary to remove conflicts with street reconstruction or other utility work. The Water Utility has replaced 3,000 linear feet of water lines and 5 major crossings along NW Military. Most pipe replaced aging water lines dating to the 1970s or older. To be able to prioritize and properly assess the replacement of aging pipe, the Shavano Park Water system needs to assess the age of each water main within the distribution and map them in a comprehensive water model. Water models can help determine water line material types and when they need replaced due to material deterioration. Do you have concerns or input regarding the long-term challenges to the Shavano Park Water Utility?

Answered: 16   Skipped: 19

#	RESPONSES	DATE
1	We have great water service in Shavano Park. I am very thankful. However rates are too high and terribly punitive for people with big yards. I strive to maintain a healthy landscape and healthy trees. I maintain a green space for the benefit of society by providing vegetation which improves air quality. The high water bills make this very difficult. Thank you for considering my comments.	3/21/2023 9:58 PM
2	Yes. Hopefully for individual lines that cross under the streets to residences, the City has put in a conduit for those lines and they won't have to cut the beautiful new streets as soon as the streets are in. Also, please upgrade the oldest lines BEFORE a crisis or emergency. Make that a budgeted time as well a money issue. I believe the 600++ residences and City Offices that are on the SP Water System pay which is split between the users for the time of Public Works and all of the water used. That probably includes all of the water used by our amazing SP Fire Department practice and refilling of the tanker trucks.	3/17/2023 9:04 AM
3	Yes, don't pay for this from Shavano Park Tax dollars.	3/16/2023 7:23 PM
4	I support replacing aging water lines in order to keep our water supply intact.	3/16/2023 2:01 PM
5	We have to keep up with replacing the old pipes.	3/16/2023 3:48 AM
6	awe should be as pro-active as possible re long term water plans	3/15/2023 8:42 PM
7	No	3/15/2023 3:30 PM
8	no	3/15/2023 2:59 PM
9	Just availability as we face more drought	3/15/2023 2:39 PM
10	I don't know enough about this to comment	3/10/2023 4:46 PM
11	I have concerns about the long-term viability and sourcing of water through our own water	3/10/2023 1:08 PM

	utility. Also, pricing is always an issue.	
12	we should consider structuring Shavano Water similar to SAWS with an elected board of water users	3/10/2023 12:57 PM
13	Have been happy with decisions regarding Shavano water. Thanks.	3/6/2023 4:57 PM
14	The city and the Shavano Water Users need to workout a long term agreement to essentially privatize the water dept into an autonomous unit governed and run by an elected water board from its member's. A complicated issue but better in the long run for users and the city. Interlocal agreements can be worked out the cost share some of the commingled assets and such. As stated this is a complicated issue but water users aren't willing to possibly let a potential SAWS dominated city council dictate our water rates and services.	3/6/2023 4:21 PM
15	N/A	3/6/2023 2:37 PM
16	No	3/6/2023 1:09 PM



## Public Infrastructure

Public Infrastructure describes the facilities, systems, and structures that often are taken for granted but are essential to quality of life in a community. Although most Shavano Park public infrastructure is owned and operated by the City, other systems are provided by private or outside agencies. Shavano Park furnishes and maintains public buildings, streets, drainage, greenbelts, and the water system. In the past, the City rarely had the necessary funds available to provide an infrastructure of the highest quality. With the City's growth into a premier City of Bexar County, the residents and businesses now expect premier-high quality infrastructure. Because much of the City's infrastructure was constructed in the 1950s to the 1970s, the City likely will face significant infrastructure maintenance requirements in the next five to ten years. This Town Plan encourages future City Councils to pursue grant funding and responsible budgeting for these challenges, but it also acknowledges the role debt financing will play in the future renewal of the City's public infrastructure.

### **Public Infrastructure Table of Contents**

This focus area of the Town Plan covers a multitude of topics; here is the table of contents with links to each section for ease of navigation:

1. **City Streets** . . . . . page X
2. **NW Military**. . . . . page X
3. **Bike and Pedestrian Pathways**. . . . . page X
4. **Water System**. . . . . page X
5. **Drainage**. . . . . page X
6. **Municipal Tract**. . . . . page X
7. **Fiber Internet Service**. . . . . page X

Issues and Action Steps are on the next page.

## This Town Plan identifies the following Issues and Action Steps in Public Infrastructure:

### Issues:

- Residents and businesses demand quality infrastructure yet funds are limited
- Deteriorating streets and water service lines nearing expected end-of-life
- No comprehensive street assessment for Phases 2, 3, or 4 of the City's Street Maintenance Plan
- City will have little to no street or water fund reserves after completion of Bond/Federal projects in 2024/2025
- Two remaining pre-planned drainage projects (Elm Springs and Turkey Creek) will cost more than \$4 million
- Residents desire bike and pedestrian connectivity
- Preference to keep the Muni-tract natural and support wildlife while providing amenities for citizens
- Not all residences have natural gas or fiber internet service available
- Some drainage problems exceed the City's ability to pay
- 

### Action Steps:

- Successfully complete the \$10M Bond project and \$4M Federal projects to build resident trust in City's capability to tackle large infrastructure projects
- Monitor the conditions of the streets and as needed Conduct a comprehensive street assessment with projected costs and timelines for Phases 2, 3, and 4
- Complete a comprehensive water model to better anticipate future capital requirements
- Prioritize and sequence infrastructure maintenance and replacement
- Long-term financial planning to ensure the City's debt burden remains manageable
- Consider pedestrian and bicycle improvements including Cliffside Dr. trailhead access point access
- Pursue grant funding options at State and Federal level for street, drainage, and water system renewal
- Consider Capital Replacement / Sinking Funds for future water infrastructure replacement
- City must explore new means to fund large drainage projects

## City Streets

Shavano Park, like all cities, is responsible for maintaining and reconstructing its 20 miles of public streets. The average street lifespan is 20 to 30 years, and with good maintenance, 40 to 50 years. Most of the streets were built before 1980 (with some dating back to the original development) and are deteriorating. As of 2022, the City had only \$1.3M dollars saved toward maintaining and restoring its streets, but the total cost to maintain and repair them was in the millions. Street reconstruction and maintenance are anticipated to be the largest expense challenges facing Shavano Park over the next 20 to 30 years.

The City will prioritize street repair in the worst areas, while simultaneously implementing a maintenance program for other areas. Once those problem areas are completed, the next worst streets may be planned and repaired. In 2022, the City developed a phased-in approach for street repair to be implemented over the next 20 years. This phased-in approach helps the City ~~to~~ afford the work with a minimal impact on each annual ~~the~~ budget and property tax rate (see map on next page).

A comprehensive assessment measured the pavement condition indexes of street sections throughout Old Shavano Park and confirmed the streets in many areas of the City are near failure. In 2022, the City took action to address the deteriorating streets by initiating the first major street maintenance project since 2004. Voters approved a \$10M Bond to fully reconstruct six miles of streets in Old Shavano Park (Phase 1 – Red on map). In the same year, the City also secured \$4M via a federally-funded Community Project Funding Request in the 2023 Federal Budget from the office of Congressman Tony Gonzales (TX-23) and the United States Congress. The City will use these funds on De Zavala Road to improve drainage facilities, add bike lanes and sidewalks, and re-pave the surface. The drainage and accessibility improvements of this project will be discussed in subsequent section.

## Failing City Streets in Old Shavano Park

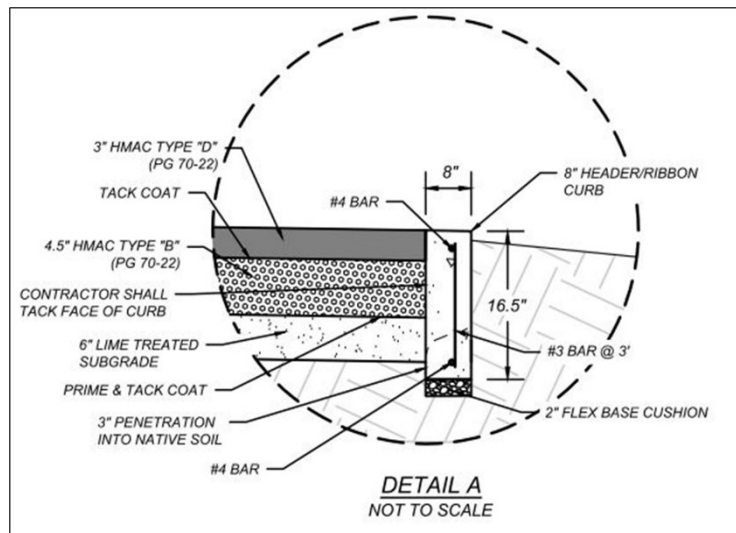






Shavano, Wagon Trail, Windmill; (2) repaving of the Post Oak Way entrance (from Lockhill-Selma); and (3) complete reconstruction of the cul-de-sacs of Elm Spring, Honey Bee, Hunters Branch, Hunters Branch South, and Turkey Creek. All existing street material will be removed and new street material installed. The new streets will feature a new 8-inch “ribbon curb” flush with the street (not raised – see Exhibit 1). This curb confines the roadway structure, reducing roadway edge failures and addings significant life to the street.

### Exhibit 1 – Bond Project Street Reconstruction



In order to afford the annual debt payments for the 2022 voter-approved Bond, the City increased the ad valorem property tax rate by \$0.01. In addition, the City added its \$1.3M dollar street maintenance fund to keep the tax rate increase to just \$0.01. See page X for the Long-term City Finances focus area of this Town Plan for more information. Once Phase 1 and Phase 1A of the Street Maintenance Plan are complete in 2024-2025, the City is forecast to have exhausted its street maintenance fund, meaning all future street maintenance costs must be borne by grant funding or debt financing.

**PHASE 1~~AB~~** – **De Zavala Road.** This phase will accomplish the re-paving of De Zavala Road with the addition of dedicated bike lanes, sidewalks, and raised curbs, and improve the drainage. This project will compete for federal funding. See page X for De Zavala Road drainage improvements and page X for De Zavala bike and accessibility improvements.

**PHASE 2 - Old Shavano Park West neighborhood.** The streets in this area were built in the 1970s and are in decent condition largely because of their curbs. The most deteriorated areas of Old Shavano Park West are proposed to be repaired in the \$10M Bond Election. The City already repaired the Arrow Mound cul-de-sac in the fall of 2021 because of its severe deterioration. Cul-de-sacs in Old Shavano Park West are in worse shape than the streets because of turning stress from larger vehicles like trash and delivery trucks. The cul-de-sacs of Turkey Creek, Honey Bee, Elm Spring, Hunters Branch, and Hunters Branch South are all included in the Bond Election for Phase 1.

**PHASE 3 - Shavano Creek and Shavano Estates.** These streets were built in the late 1970s through the 1980s and are in good to decent condition. These streets all have curbs that help extend the life of the street. Shavano Creek’s main entrance at Post Oak Way and Lockhill Selma is included in the Bond because it has significant street cracking from heavy traffic flow than other parts of

**PHASE 4 - Lockhill-Selma and Pond Hill.** These two major thorough-ways were constructed in the early to mid-2000s and are still in excellent condition. The City anticipates with regular maintenance like seal coating and crack sealing, these streets will endure for many more years. Future replacement of these streets will be significant and quite costly as they must be built to sustain heavy traffic and heavy vehicles like tractor-trailers.

**NW Military Highway**

The project is slated for completion by December 2023 and includes the following improvements to NW Military Highway in the City of Shavano Park (see Exhibit 2):

EXIST ROW

FM 1535

120' ROW (USUAL)

SHLDR VARIES 1' TO 3'

11' LANE

11' LANE

11' LANE

11' LANE

SHLDR VARIES 1' TO 3'

2.00%

2.00%

FM 1535 EXISTING TYPICAL

EXIST ROW

FM 1535

120' ROW (USUAL)

2' BERM

10" CURB

5' BIKE LANE

11' LANE

11' LANE

12' TWLTL

11' LANE

11' LANE

5' BIKE LANE

10" CURB

2' BERM

VARIES

6' 5/W

1.50%

2.00%

2.00%

1.50%

4:1 USUAL 3:1 MAX

SAWCUT

SAWCUT

RESURFACE EXISTING PAVEMENT

3:1 USUAL

3:1 USUAL

FM 1535 PROPOSED TYPICAL

- Adding a continuous center-turn lane
- Adding dedicated sidewalks and bicycle lanes
- Pedestrian crossings at Pond Hill and De Zavala intersections with NW Military
- Adding a traffic signal at the Pond Hill Road intersection



- Installing raised medians between Loop 1604 and Wagon Trail Road (improving safety)
- Multiple drainage improvements to prevent increased stormwater runoff (storm sewer, expanded culverts)
- Partial reconstruction of residential driveways to safely tie into the expanded highway
- VIA covered bus stop installed near Pond Hill Road and NW Military Highway

This project, while making many accessibility and safety improvements to the highway, is also distressing to many residents because of the removal of so many trees in the right-of-way to make way for the movement of utilities, installation of the storm sewer, and pavement expansion. The City worked closely with TxDOT during the engineering planning and initial construction phases to save as many trees as possible, but the reality of the construction project meant few were saved. In response, the 2021 City Council established the NW Military Highway Beautification Committee.

Many residents who participated in the Town Plan process spoke about the loss of trees on NW Military as damaging to the beauty of the City and also expressed concern about a large strip of concrete and asphalt dividing the City in two. Planting trees near the highway is not possible under TxDOT regulations nor is planting trees over the utilities next to the highway allowable. This limits the areas the City can plant trees. The NW Military Beautification Committee has ~~also~~ considered beautification alternatives to planting trees such as native wildflower gardens, bushes and decorative features. The City will work with TxDOT to determine what is possible in beautifying NW Military after construction and identify possible funding sources. The Governor's Community Achievement Awards is one such potential funding vehicle for NW Military Highway beautification.



Keep Texas Beautiful, in partnership with the Texas Department of Transportation (TxDOT), has awarded the prestigious Governor's Community Achievement Awards (GCAA) to Texas communities for their outstanding overall efforts to keep their communities beautiful since 1969.

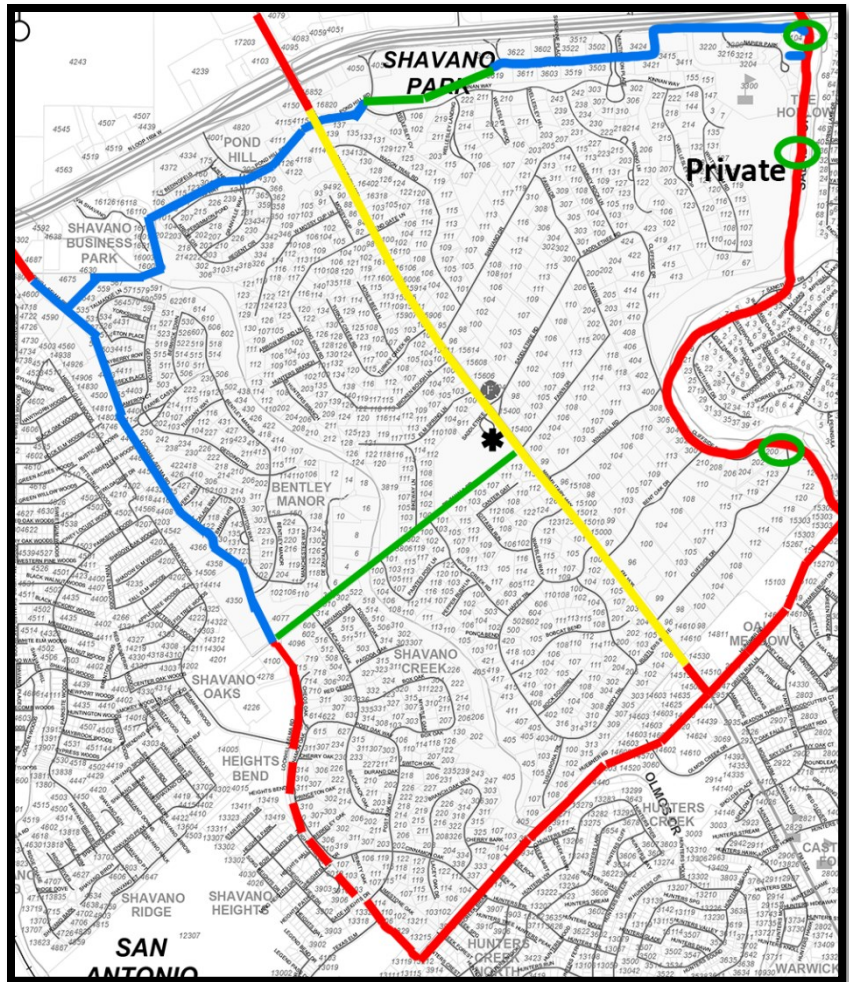
In 2023, ten winning communities will share \$2 million in landscaping awards from TxDOT, with the amount based on population size. If selected, the Keep Texas Beautiful program would award Shavano Park a \$110,000 grant. The funds may be used for landscaping projects in state rights-of-way. City staff and the NW Military Highway Beautification Committee will pursue this grant process and coordinate with TxDOT to achieve an actionable vision for landscaping and beautification of NW Military. The Town Plan supports and encourages these efforts to beautify NW Military.

## Bike and Pedestrian Pathways

The 2010 and 2018 Town Plans called for the creation of a network of sidewalks, bike lanes, and pathways to connect the City and provide access to nearby San Antonio trails and parks. Since 2018, significant progress has been made in creating this network but much work remains.

By 2024, it is anticipated the new sidewalks and bike lanes on NW Military will be complete and provide immense improvement to the City's connectivity. In 2024 or 2025 the construction of dedicated bike lanes and sidewalks with the federally-funded De Zavala project will likewise drastically improve accessibility.

After these projects, there remain two portions of trails – one in San Antonio jurisdiction between De Zavala Road and Huebner Road (see dashes red in Exhibit 3) and a portion connecting NW Military to the north Salado Creek Greenway trailhead access point (green line near 1604).



**Exhibit 3 – Map of Current Sidewalk and Bike Lane Network**

1. The City of San Antonio installed sidewalks from Basis School to De Zavala in 2022. Although this area is not located in Shavano Park, the City will continue to encourage the City of San Antonio to complete the sidewalks fully from Huebner to De Zavala.
2. The gap (in green) is currently on undeveloped land. Bitterblue, the City's primary developer is currently in pre-planning for the development of the lot. Hike/Bike paths will be constructed on the lot when it is developed.

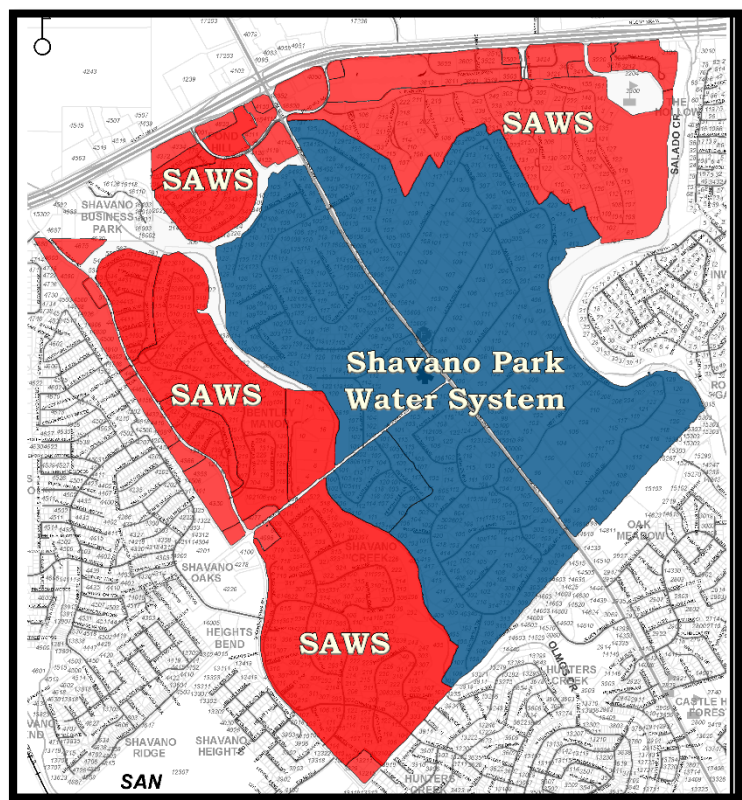
The final hike/bike accessibility location is the southern Cliffside trailhead access point access to Salado Creek Greenway. The City has made some improvements to the pathway since the 2018 Town Plan but has preserved a natural footpath. Residents who participated in the Town Plan process expressed a desire for improved accessibility on the trail similar to the paved and gated access Inwood HOA has constructed across Salado Creek Greenway in the City of San Antonio. Creating a similar trailhead access point would be difficult because there is no room for a parking area, challenges re-grading the path, and limited ability for the City of Shavano Park to install and monitor a controlled access gate. This Town Plan encourages future City Councils to keep an eye on developments near the Cliffside trail access point, but also to remember the trailhead access point is near existing homes and further improvements will require considerable funds, careful consideration, and meticulous planning.

## **Water System**

Shavano Park Water Utility was created in 1972 after the conveyance of the existing water infrastructure from the Forest Oaks Development Company to the City of Shavano Park. After the development of the Ripple Creek/Painted Post neighborhood south of De Zavala concluded, further development ceased for a number of years primarily due to a lack of water; the Edwards Aquifer wells in the original City were all limited-capacity wells. The Shavano Park Water Utility was the only water provider in the City until the annexation and development of land in the early 2000s. Those annexed areas became the neighborhoods of Shavano Creek, Bentley Manor, De Zavala Estates, Huntington, Pond Hill, ~~and Shavano Estates~~ and are serviced by the San Antonio Water System (SAWS).

In 2009 during a severe state-wide drought, the City drilled into the Trinity Aquifer to diversify the City's water supply, establishing Well #9. Complications with the water from Trinity Aquifer required additional improvements and maintenance to the well and water system over the life of the well. In 2019, Trinity Well #9 was capped and "mothballed" due to ongoing maintenance costs and low water pumpage rates.

Today the Shavano Park water utility serves 713 customers in an area covering roughly half the City (see map) using Edwards Aquifer Water. Over the last three years, the Shavano Park Water Utility pumped on average 200,580,413 gallons or 615 acre-feet of





water per year. The system maintains four well sites and pumps water through two distribution sites. The system is funded by Shavano Park water customers in a separate Water Fund. This Water Fund ~~and~~ maintains all infrastructure, vehicles and materials of the Shavano Park Water Utility ~~anded by eight-six~~ employees, four of which ~~com~~ split workload and pay 50/50 with Public Works and the City-wide General Fund. Much of the water infrastructure of the City dates to the original development of the neighborhoods. In Old Shavano Park east of NW Military, that means most water lines date to the 1950s and 1960s. In Old Shavano Park west of NW Military, water lines date to the 1960s and 1970s. Shavano Estates' water lines generally date to the ~~late~~ 1980s ~~through the early 1990s~~.

Since 2018, ~~the~~ the Shavano Park Water Utility has performed numerous upgrades to the system necessitated by street projects in the City – specifically the TxDOT NW Military Highway project, and the City's 2022 Street Bond Project. In both instances, the water lines must be lowered or relocated to remove conflicts with street reconstruction or other utility work. Along NW Military the Water Utility has replaced 3,000 linear feet of water lines and five major crossings. All new pipe replaces aging Asbestos Cement (AC) water lines. The installation and manufacturing of AC water lines ceased in North America in the late 1970s due to health concerns associated with the manufacturing process of AC pipes and the possible release of asbestos fibers from deteriorated pipes. The Shavano Park Water Utility maintains quarterly water quality testing for asbestos levels in the system to ensure absestos levels remain within the safe, State-mandated, range.

In preparation for the Street Reconstruction Bond Project that commences in 2023, the Water Utility has been replacing all long water service lines that cross under the streets that will be reconstructed plus ten water main crossings. These water lines were shallow and in conflict with the street reconstruction. It made the most sense to replace the aging lines now before reconstructing streets (see page X for discussion on the 2022 Street Reconstruction Bond Project).

The lack of a full and proper mapping and assessment of the water system is the greatest challenge to predicting the City's future water capital and debt financing needs. Such an assessment combined with a water model of the system would enable the Water Utility to:

- Plan capital replacements by identifying the age and material of water mains to determine their usable life
- Determine the appropriate water main size for future installation based on the number of home service connections and water usage
- Ascertain whether additional booster pumps are needed for improved fire suppression capability
- Improve the City's ISO Rating; the water system accounts for 40% of the total points and a model could help identify actions to improve the score (see page X for more information on the City's ISO Rating)
- Determine whether additional water capacity (i.e. storage tanks) is needed

## **Drainage**

Shavano Park is situated between the Texas Hill Country to the north and the lower-lying areas of San Antonio proper to the south and has long experienced drainage challenges. These challenges intensified during the 1990s and 2000s with the rapid development within and around Shavano Park. Drainage was a focus area of the 2010 and 2018 Town Plans and a significant focus of the City from 2016-2021 after the completion of a Master Drainage Plan in 2017. Between 2017 and 2021 the City spent \$1,104,798 on drainage projects utilizing the City's drainage reserves in the Capital Fund.

Big Picture - Drainage Reserves	
City Drainage Reserves when started	\$ 1,320,746
Total Expenses 2017 - 2021	\$ (1,104,798)
Transfer to Street Fund for Bond Project (FY23)	\$ (215,948)
Remaining Drainage Reserves January 1, 2023	\$ (0)

This \$1.1M allowed the City to build three low water crossings on Chimney Rock, Bent Oak, and Windmill, clear multiple drainage pathways, and install a pump in a natural depression north of Wagon Trail. Exhibit 4 ~~below on the following page reflects~~ shows the a cost breakdown by project.

### **Exhibit 4 – Breakdown of Drainage Project Expenditures from 2017-2021**

Drainage Costs Breakdown (2016 - 2021)		
Engineer Planning	Anticipated Costs	Actual Expenses
KFW Engineering Task Order 4 (Chimney Rock)	\$ 60,307.00	\$ 60,252.39
KFW Engineering Task Order 5 (Bent Oak/Windmill)	\$ 58,800.00	\$ 56,807.76
KFW Engineering Task Order 6 (PER)	\$ 118,000.00	\$ 118,000.00
Engineering costs	\$ 237,107.00	\$ 235,060.15
Construction / Project		
Bent Oak Clearing	\$ 15,000.00	\$ 10,000.00
Windmill Culvert	\$ 280,746.64	\$ 322,550.00
Bent Oak Culvert	\$ 251,493.17	\$ 233,824.00
Chimney Rock Culvert	\$ 292,847.46	\$ 303,364.00
Wagon Trail Depression Pump	\$ -	Bitterblue
Kinnan Way Berm Clearing	\$ -	Bitterblue
Construction costs	\$ 840,087.27	\$ 869,738.00
Totals	\$ 1,077,194.27	\$ 1,104,798.15

There remain only three drainage projects identified in the 2017 Master Drainage Plan left to complete. Of the three, one is being accomplished with Federal Funding in the De Zavala improvement project. The remaining two are well beyond current City funding and require unanimous buy-in from property owners to secure drainage easement agreements.

### De Zavala Storm Water Culvert

The Federally-funded De Zavala project will capture water run-off from NW Military Highway and the Municipal Tract before it spills across De Zavala and into the yards along Painted Post and Ripple Creek (see Exhibit 5). The project will upgrade the existing culverts that convey water under De Zavala near the Municipal Tract. A 54-inch drain pipe running the length of De Zavala will capture the water and convey it to Olmos Creek.

This pipe (in red in Exhibit 5) will provide considerable relief to properties along Ripple Creek and Painted Post that flood during storm events. In early 2023, the De Zavala project is in the middle of the Engineering process and is anticipated to start construction in 2024.

Exhibit 5 – Drainage near De Zavala



### Turkey Creek and Elm Spring Drainage Projects

These drainage projects were studied in the 2020 Preliminary Engineering Report and the estimated cost at that time was \$4.4M, an amount well beyond City reserves. Both projects propose installing storm sewers to capture water flowing through the Turkey Creek/Honey Bee neighborhood and along Elm Spring to carry the water underground to the Olmos Creek basin. The Turkey Creek/Honey Bee project would remove all the homes located north of Long Bow Road from the existing floodplain. The Elm Spring project would prevent roadway flooding in small rain events as it does today. Aside from being costly, both projects will require homeowners to sign drainage easement agreements. Securing buy-in from all homeowners in the vicinity of the projects will be especially challenging.

The decision point to pursue these projects will be part of the scheduled Street Maintenance in Phase 2. These drainage projects could be packaged with street reconstruction in a future bond or grant-funded project.

Exhibit 6 – Remaining two drainage projects



Project	Project Cost Estimate (2020)	
Turkey Creek	\$	3,069,770.96
Elm Spring	\$	1,321,174.11
<b>Total</b>	<b>\$</b>	<b>4,390,945.07</b>

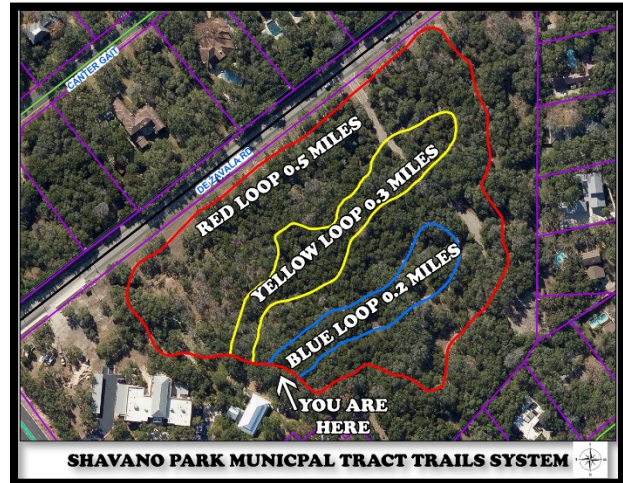


## **Municipal Tract**

The Municipal Tract consists of approximately 22 acres of land located in the center of the City northwest of the intersection of De Zavala Road and NW Military Highway. Rogers Shavano Ranch Inc. deeded the Municipal Tract to the City in 2000 to be used exclusively for "general municipal, municipal recreational, or other community-orientated purposes and/or facilities." This language prohibits development of the tract for residential or commercial purposes. The Municipal Tract was a major focus of the 2010 and 2018 Town Plans. Since the 2018 Town Plan, the City has constructed numerous Community facilities on the Municipal Tract:

- A 1-mile nature trail was constructed in 2019
- A large outdoor pavilion and playgrounds were constructed near City Hall in 2020-2021
- A KIA (killed-in-action) Veterans Memorial honoring three Shavano Park residents who died in combat was constructed in front of the pavilion in 2022.

Additionally, a farmer's market with 20-30 vendors began operating in the parking lot every on Sundays.





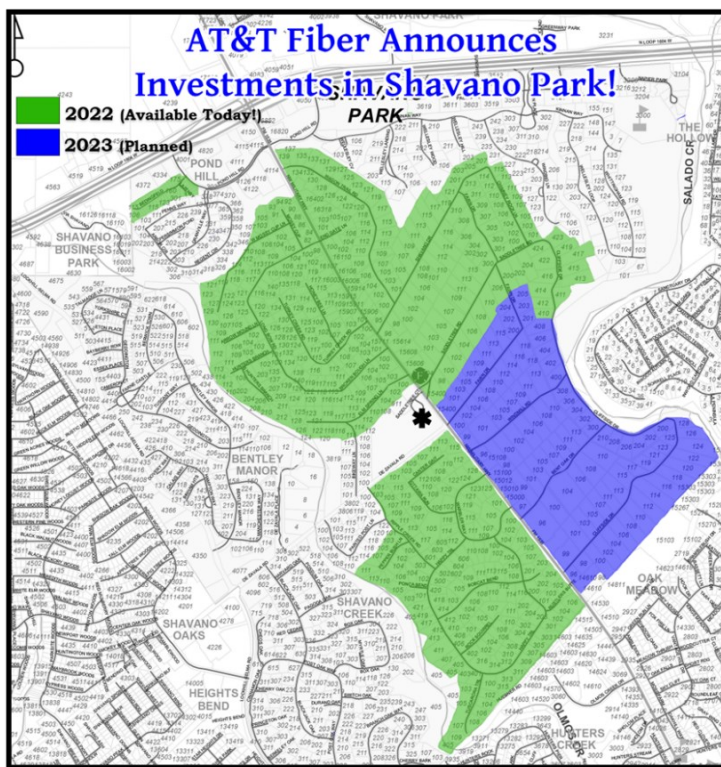
Incremental improvements to the Municipal Tract continue in 2023 with the construction of a shade structure over the playground equipment and the implementation of a trail improvement project funded by a \$10,000 donation from the Starr Family. See page X for the role the Municipal Tract plays in Community Engagement. Residents who participated in the Town Plan process stated a desire to preserve the existing natural habitat of the Municipal Tract.

This Town Plan encourages the City's future leaders to maintain and incrementally improve the Municipal Tract. Feedback from residents should assist in prioritizing the improvements. Possible considerations include additional parking, improvements to the nature trail, additional playgrounds, and recreational facilities.

### **Fiber Internet Service**

The City has limited influence over the private investment decisions of Internet Service Providers (ISPs), but in recent years many residents, City staff, and ~~City Council~~ persons, and City staff ~~began to wonder~~ questioned why Shavano Park did not have fiber direct to home like some other surrounding neighborhoods in north Bexar County. In 2022, the City Council articulated a vision and formed a resident-volunteer Internet working group to work with ISPs to bring fiber internet to Shavano Park. City Council's vision was to have fiber internet directly into the homes and businesses across the City to meet the digital demands of the future.

Fiber internet is using glass instead of copper to transmit internet data. The speed and reliability of glass are far higher than copper but glass is more expensive to produce and install. A glass line directly feeding into a home (fiber to the premises, or "FTTP") is relatively rare in the United States. When an ISP advertises High-Speed Internet, they are actually advertising that the backbone internet service in the subdivision or street is glass, but copper lines still feed into your home and generally maxes out at 300 megabits per second (fiber to the curb, or "FTTC"). FTTC increases the internet speed in the area but does not provide the 1+ Gigabit per second speeds and reliability of direct fiber or FTTP (Note: there are 1000 megabits in a single gigabit). Before the working group, only City business areas had access to fiber internet. The majority of the City had FTTC and some areas had only one FTTC provider (no competition).



During discussions with ISPs, the City learned of the challenges that have prevented fiber internet investments to date:

- 1) The amount of rock subsurface makes the final trenching to the home more expensive
- 2) The number of wide-spaced lots limits profitability
- 3) Investing in established neighborhoods is more expensive in general
- 4) Number of gated communities/homes and City solicitation rules make door-to-door sales difficult

In 2022, the Internet Working Group engaged all area ISPs to explore the feasibility of bringing fiber internet direct to homes in Shavano Park. The Working Group saw success with AT&T announcing direct-to-home fiber availability to over 400 homes with expansion plans for 2023 (see map). As of January 25, 2023, 268 residents have signed up for AT&T fiber internet service. The Internet Working Group continues to work to encourage and champion ISP investments in the digital infrastructure of the City. The Town Plan encourages the efforts of City Council and the Internet Working Group to bring fiber internet to all the homes and businesses of Shavano Park.

## PLANNING & ZONING STAFF SUMMARY

Meeting Date: March 1, 2023

Agenda item: 10

Prepared by: Curtis Leeth

Reviewed by: Bill Hill

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### **AGENDA ITEM DESCRIPTION:**

10. Discussion – First review of the Long-term City Finances focus area of the 2023 Town Plan - City Manager / Assistant City Manager

10.a. Presentation – Overview of current City long-term financial projections and analysis

10.b. Review and discussion – Long-term City Finances draft survey

10.c. Review and discussion – Long-term City Finances draft write-up

X

### **Attachments for Reference:**

1) 10a Draft write-up

2) 10b Finances 101

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**BACKGROUND / HISTORY:** At the November 2, 2022 Planning & Zoning Meeting, the Commission selected *Long-term City Finances* for the 5<sup>th</sup> and last focus area of the Town Plan.

On March 9, City staff sent out a Finances 101 document (attachment 10b). The goal of this document is to familiarize the Commission with City Finances before the Long-term Finances discussion began. Staff recommends commissioners read this document before coming to the meeting.

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**DISCUSSION:** This is the first review of the *Long-term City Finances* focus area of the Town Plan 2023.

### **City Staff need guidance on:**

1. Give feedback on focus area write-up (item 10a)
2. Give feedback on draft survey (item 10b)

Staff does not believe a survey is practical on this topic.  
Staff will discuss with the Commission at the meeting.

Month	LONG-TERM CITY FINANCES
April	Intro
May	Review + PH
June	Final

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**COURSES OF ACTION:** N/A; give guidance to staff.

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**FINANCIAL IMPACT:** N/A

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**MOTION REQUESTED:** N/A; give guidance to staff on:

1. Give feedback on focus area write-up (item 10a)
2. Give feedback on draft survey (item 10b)



## Long-term City Finances

The wise stewardship of public monies by City leaders in the past is a key reason the City of Shavano Park is a premier community of Bexar County today. The City's history of fiscal conservatism means the City in 2023 offers excellent municipal services while having one of the lowest property tax rates in Bexar County and a manageable debt burden. These conditions have stimulated the development of quality neighborhoods and businesses and a rise in property values over the last decade. The City faces challenges in maintaining this current position in the future. The City's deteriorating streets will require debt-financing to repair while the annual cost of maintaining a professional City staff and providing excellent municipal services is predicted to rise. In addition, the City's known drainage problems will require multi-million-dollar grant funding or debt financing to complete. The water system also has aging infrastructure with few available reserves. Long-term financing will be key to anticipating major expenses, saving for coming bills and ensuring property tax rates stay manageable. This Town Plan encourages future City Councils and City staff to incorporate long-term financial planning into the annual budget process.

**This Town Plan identifies the following Issues and Action Steps in Long-term City Finances:**

Issues:	Action Steps:
<div>➤</div>	<div>➤</div>

## **City's Fiscal Strength**

The City of Shavano Park's history of wise stewardship of the City's fiscal resources is a major reason why, in 2023, the City boasts excellent municipal services of police, fire, emergency medical, public works with community facilities and community events, while maintaining a reasonable debt burden and one of the lowest tax rates in Bexar County. These community traits have led to strong neighborhoods, a strong sense of community, and an upscale business community as highlighted throughout this Town Plan. Five aspects of City finances illustrate the City's fiscal strength and fiscal conservatism: (1) the City's Triple AAA Bond Rating, (2) the City's manageable debt burden, (3) the City's low property tax rate and robust tax base, (4) the City's robust capital reserves and (5) the City's robust 'rainy day' fund. Each of these aspects will be discussed in detail in the following section. The Shavano Park Water Utility's finances will be discussed in a separate section at the end of this focus area.

## **Bond Rating**

In June 2022, the City received an "AAA/Stable" long-term rating from S&P Global Ratings as a part of the process for the City's May 2022 voter-approved \$10M Bond. This is the highest and best credit rating that can be issued. The S&P Global Ratings identified the following key attributes for the City of Shavano Park:

Key credit considerations include our view of Shavano Park's:

- Advantageous location in the broad and diverse San Antonio metro area;
- History of strong financial performance and maintenance of very strong reserves;
- Strong financial management practices and policies, and strong institutional framework; and
- Very weak debt and contingent liability profile largely influenced by the current issue.



This S&P Ratings is a respected third-party opinion that validates of the City's strong finances and institutions described in this Town Plan. The only note of caution was the City's debt obligations growing due to the May 2022 voter-approved \$10M Bond to reconstruct over six miles of public streets (see page X of Public Infrastructure for more details). The funding of public infrastructure will be a key fiscal challenge for the City in the future and is addressed later in this focus area.

## Manageable Debt

The City has a history of maintaining low debt obligations. Before the Bond issuance in 2022, the last debt issued by the City was in 2000 for the purposes of building City Hall, street repair and drainage projects. A statistic to illustrate the City's manageable debt is the debt service ratio. Debt service ratio is a widely accepted measure of sound financial management, and a useful tool to understand the City's fiscal integrity. In the year before the 2022 Bond debt issuance the debt service ratio was only 3.9%, meaning only 3.9% of the City's revenues were committed to debt service rather than current services. The most recent debt issuance increased the City's debt service ratio in 2023 to 14.92%. This increase is sizable but remains manageable – with the City requiring only a \$0.01 tax increase to help fund in 2023. This debt will fund the reconstruction of over six miles of public streets which are badly in need of repair.

## Low Property Tax Rate and Robust Tax Base

The City's property tax rate in 2023 is \$0.297742 per \$100 valuation. For Shavano Park's average home value of \$844,490 this means a \$2,514 tax levy for the City's portion of the total property tax bill. Here is a comparison between Shavano Park and other Bexar County communities who also provide full police, fire and emergency medical services to residents and businesses:

City in Bexar County	Property Tax Rate	Average Shavano Park home value's tax levy (\$844,490)
Shavano Park	0.297742	\$2,514.40
Helotes	0.316778	\$2,675.16
Alamo Heights	0.388051	\$3,277.05
Converse	0.421389	\$3,558.59
Leon Valley	0.484739	\$4,093.57
San Antonio	0.54161	\$4,573.84
Kirby	0.614126	\$5,186.23

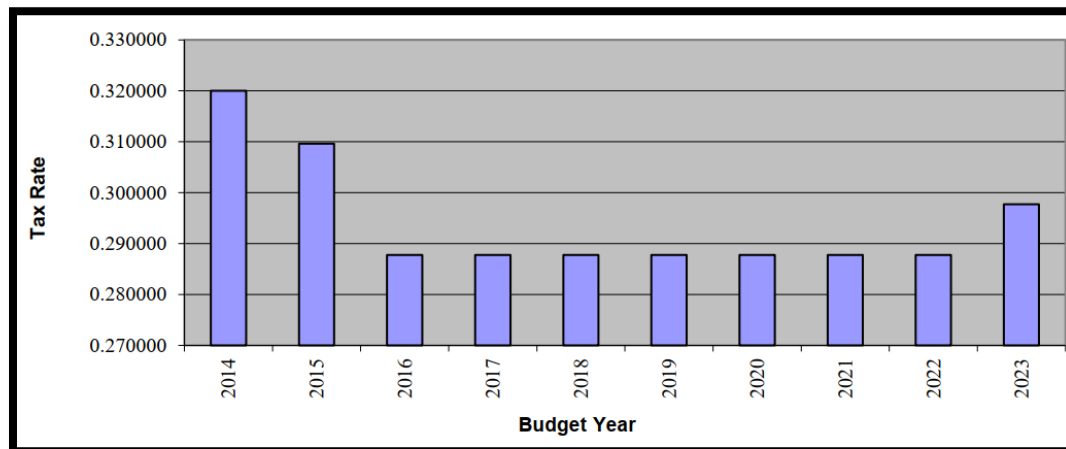
The City of Shavano Park does not have the lowest property tax rates in the greater Bexar County area, but is among the lowest rate among cities that offer full services rather than contracting services out. The City's tax rate a decade ago in 2014 was \$0.32 per \$100 valuation and was lowered to \$0.287742 between 2014-2016 and then held there until being raised by \$0.1 in 2023 with the recent Bond debt issuance (see Figure 1 next page).

These low tax rates have been afforded while increasing wages and increasing services (such as building the pavilion and playgrounds on the Municipal Tract in 2020) due to the new construction of residential and commercial buildings and the rapid rise in property

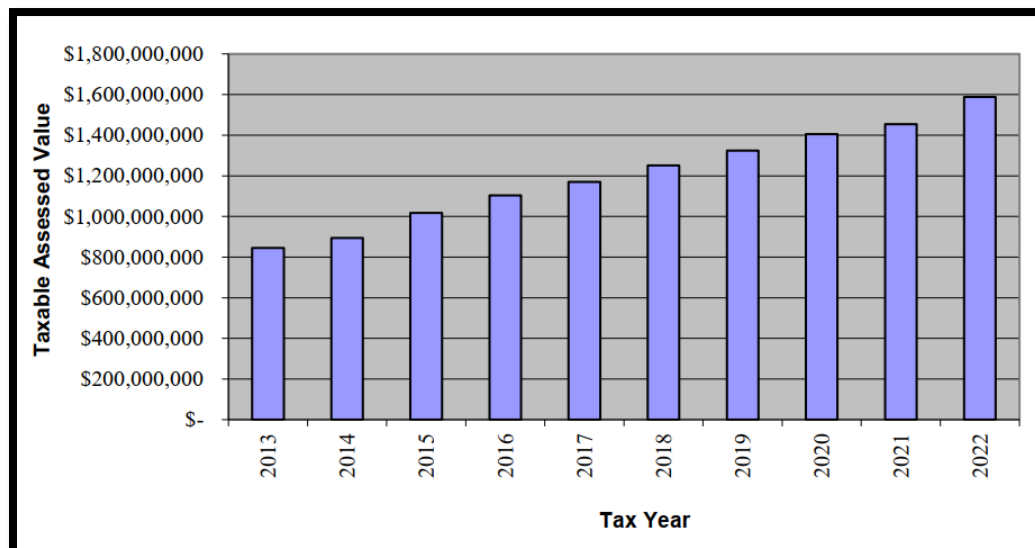


values in the City over the last decade. The City's total taxable assessed value has nearly doubled in the last decade, from \$844 million to now \$1.59 billion (see Figure 2).

**Figure 1. Property Tax Rates 2014-2023**



**Figure 2. Total Taxable Assessed Values 2014-2023**



### Capital Replacement Funds

The City maintains \$2.08M in total capital replacement funds for all City departments. The capital funds serve as monies set aside for future capital purchases such as police vehicles, ambulances and fire engines. Annually a portion of revenues are budgeted based on a replacement schedule using an estimated replacement cost and an item's useful life. The use of capital funds spreads out the effect of large purchases on the City's annual budgets. The capital funds assist in avoiding large expenditure swings from year to year, maintaining tax rates and ultimately saves the City money by not having to issue

debt to acquire large items. An example of this in practice would be in February 2019, the City's capital fund was used to purchase a \$1,165,000 ladder truck to replace the City's aging 20-year-old fire engine without the need to acquire public debt. The City intends to fully fund the transfer to capital reserves every fiscal year, and in recent years has achieved this goal. The City's robust capital reserves are a tremendous fiscal asset of the City and contribute greatly to the City's fiscal strength. This Town Plan encourages future City Councils prioritize fully funding capital reserves each year.

### **Reserve 'Rainy Day' Fund**

Like the State of Texas, the City maintains a 'rainy day' fund called the General Fund Balance Reserve. By Ordinance the fund balance reserve must be between 25% to 50% of the City's annual operating budget. The current fund balance reserve is 39% or \$2.43 million in reserves. Appropriation from General Fund balance requires the approval of the City Council and is only for one-time expenditures, such as capital purchases, and not for ongoing expenditures. The General Fund has stayed steady at around \$2.43 million since the 2016 transfer of \$1.6M in reserves to the capital fund to pay for the construction of drainage projects (see page X of Public Infrastructure for details). While the amount of money in reserve has stayed steady, the reserves as a percentage of the General Fund have trended downwards due to the growing General Fund. This General Fund Balance Reserve acts as an emergency 'rain day' fund for the City and is a critical piece of the City's fiscal strength. This Town Plan encourages future City Councils to protect and preserve the General Fund Balance Reserve.

### **City's Fiscal Challenges**

The City's two primary fiscal challenges are identified as focus areas of this Town Plan: (1) repair and maintenance of the City's *Public Infrastructure* (on page X) and (2) the rising costs for the City's *Municipal Talent Management and Retention* (on page X). Also taken into account in this section is the fact that the City is nearing built-out and has limited sales tax growth potential due to limited commercial land left for development (see page X for the Commercial Development focus area). We recommend you familiarize with these focus areas before reading this section.

This Town Plan believes long-term financial planning will be essential to overcoming the fiscal challenges ahead and encourages future City Councils and City staff to incorporate long-term financial planning into the annual budget process. This focus area of the Town Plan should also serve as a launching pad to assist future long-term financial planning by City staff and City Council.

## Assumptions for all Long-term Financial Planning

Before launching into the fiscal challenges, let's first cover the assumed future revenue growth from property and sales tax. These predictions become the baseline upon which projected expenses and their impact on City tax rates and budgets in the fiscal challenges will be applied. These explanations will be relatively brief:

- **Property Taxes.** Assumed growth rate is 6% annually in property tax revenue through 2027 and 4% thereafter (note – this is the valuation growth, not from raising of any tax rates). The drop in 2027 is to account for the end in new residential builds being added to the tax rolls. This starting growth rate is a conservative rounded-down figure based upon the 6.8% annual growth in property tax assessments between 2017 and 2023.
- **Sales Taxes.** Assumed growth rate is 8% annually in sales tax revenue through 2026 and dropping down to 4.5% thereafter. The drop in 2026 is to account for the City becoming built out in commercial businesses. The starting growth rate is based upon the City's sales tax growth rates assumed in 2022 and 2023.
- **Tax Freeze Properties.** The Town Plan also assumes Tax Frozen properties growing at a 6.45% rate annually. This is based on an approximation of the total tax base being under a tax freeze each year. Remember as tax frozen properties increase any tax rate increase must be higher on remaining properties to collect the same amount of revenue if the tax freeze did not exist.
- **Salaries and Benefits.** The Town Plan assumes a gradually declining annual salary increases due to declining inflation, starting at 6.1% wage increase across all positions in 2024 and declining to 4.1% overall in 2028. Healthcare costs are assumed to start at 10% growth rate in 2024 and declining to 8% growth rate by 2028, again to predict declining inflation. Calculations for future Workers Compensation and pension payments were also included in the overall figures presented.

### Other assumptions:

- Predictions assume the City will drawdown its \$1.5M in street reserves to offset debt payments (reducing tax burden from debt payments).
- Assumed 5% interest rate on all bonds. In 2023, it is difficult to predict where interest rates will be in the future. Remember that interest rates on million-dollar bonds can have a major impact on affordability.
- Assumed 100% collection rate of property taxes. The City of Shavano Park historically is always over 99.5% collection rate, for simplification a 100% collection rate is assumed.

### **Fiscal Challenge: Public Infrastructure**

In the Public Infrastructure focus area of this Town Plan, we described the phased restoration of the City's streets (see page X) and also identified the remaining drainage projects (see page X). This Public Infrastructure section will focus on these two infrastructure categories as they are both the largest cost challenges facing the City over the next 10-20 years.

Of these two categories, street reconstruction and maintenance are anticipated to be the largest expense challenge facing Shavano Park over the next 10 years. The City should monitor the conditions of the streets and as needed conduct a comprehensive street assessment of the streets in Phases 2, 3, and 4 of the City's Street Maintenance Plan (this is identified as an action step in Public Infrastructure focus area on page x). While the exact cost of repair or reconstruction of the streets is unknown at this time, the City does have City Engineer provided preliminary cost estimates that are used below.

Current estimated cost (using 2023 data) to repair the streets of Old Shavano Park (west of NW Military) in Phase 2, Shavano Estates and Shavano Creek in Phase 3 are as follows:

**Figure 3. Estimated Costs for Phase 2 and 3 Street Maintenance Plan**

<b>Subdivision &amp; Phase</b>	<b>Cost Estimate</b>
Phase 2 - Old Shavano Park (West)	\$ 3,140,000
Phase 3 - Shavano Creek	\$ 4,186,667
Phase 3 - Shavano Estates	\$ 4,762,333

Current plan schedule is for the City to begin Phase 2 in 2028 and Phase 3 in 2033. Both phases are predicted to require debt financing to accomplish repair. This will be challenging to fund as the City's \$10M bond will require payments until 2042. Using the above figures and dates, the City estimates the debt burden will reach its peak between 2034-2042 with a \$1.7M debt payment due each year. This would be an 84% increase in the City's annual debt payment compared to 2023 and could require the City's tax rate be raised \$0.050216 cents by 2034 to \$0.34796 per \$100 valuation in order to afford the street project debt by itself.

There is good news for the Street Maintenance Plan, however. The City's \$10M Bond project bids came in at \$7.5M (with engineering); meaning possibly \$2.5M may be available after the current project. While actual construction is yet to begin in early 2023, this opens up the possibility that some of the streets in Phase 2 and 3 can be done early using the May 2022 Bond monies, thus reducing future requirements.

**Figure 4. Estimated Costs for Drainage Projects**

Project	Cost Estimate
Turkey Creek neighborhood storm sewer	\$ 3,069,770
Elm Spring storm sewer	\$ 1,321,174

The fiscal challenges increases if the City decides to debt-fund the drainage projects rather than use state or federal grant funding. If the City took an additional \$4.4M to accomplish both drainage projects outlined in Public Infrastructure (see page X) they would likely be done as a part of the Phase 2 road project in 2028. In this scenario, there would be a 122% increase in the City's annual debt payment compared to 2023 and could require the City's tax rate be raised \$0.070601 cents by 2034 to \$0.368343 per \$100 valuation in order to afford both the street and drainage projects. Doing the road work with the drainage projects makes practical sense in construction and could result in some cost savings on the drainage projects.

It is clear though that pursuing state and federal funding for drainage should be a priority for City staff to avoid impacting property tax rates. City staff already began this effort by submitting both drainage projects to the Texas Water Development Board for funding. In early 2023, the City was informed that both projects had been moved to priority funding. This is good news and increases likelihood both projects could receive State grant funding to accomplish.

#### **A standardized debt-cycle timeline**

An option to be considered is that the City issues 20-year debt to fund capital projects every five years. This will require four debt issuances (with the first already issued in 2022). Beginning in 2042 (when the 2022 debt is paid off), new debt can be issued without an increase (or a small increase) in debt payments. The cycle can continue as long as capital improvement requirements remain.

This bond-cycle process where smaller number of streets are done every couple of years and smaller debts are taken could be a way to keep tax rates lower while still accomplishing the necessary street maintenance over time. This Town Plan encourages City staff to propose a standardized bond project cycle to allow regular infrastructure renewal to limit property tax rate increases.

### Challenge: Municipal Talent Management and Retention

In the Municipal Talent Management and Retention focus area of this Town Plan, we described the rising costs of maintaining a professional city staff and excellent municipal services (see page X). Between 2014 and 2023, the City total personnel cost (including salaries, health, retirement and benefits) increased by 4.5% on average. This Town Plan predicts a slightly faster rate of annual wage growth at 5.2% per year due to inflation and labor competition. See Figure 5's estimate personnel cost each year. Higher compensation costs are predicted to slowly decline as current economic, rising healthcare costs and labor market conditions return back to pre-inflation trends.

**Figure 5. Estimated City Payroll Costs 2023 - 2027**

Year	2023	2024	2025	2026	2027	2028
Personnel Cost	\$4,684,104	\$4,968,300	\$5,261,300	\$5,547,300	\$5,798,300	\$6,037,300
Annual Change		<b>\$ 284,196</b>	<b>\$ 293,000</b>	<b>\$ 286,000</b>	<b>\$ 251,000</b>	<b>\$239,000</b>
Percentage Change		5.7%	5.6%	5.2%	4.3%	4.1%

These pay increases may not be affordable though without a tax increase because of the debt burden on the City's operations after 2024 and declining revenues – Figure 6 below illustrates the long-term funding challenges using a 5-year prediction model.

**Figure 6. Estimated Revenues 2023-2027 with current property tax rate**

Year	2023	2024	2025	2026	2027	2028
Revenues:						
Property Taxes	\$4,263,067	\$4,611,000	\$4,887,000	\$5,144,000	\$5,453,000	\$5,671,000
Sales Taxes	\$1,053,000	\$1,138,000	\$1,229,000	\$1,327,000	\$1,387,000	\$1,449,000
Other revenues	\$1,764,962	\$1,766,214	\$1,584,379	\$1,538,290	\$1,543,862	\$1,552,898
Total Revenues	\$7,081,029	\$7,515,214	\$7,700,379	\$8,009,290	\$8,383,862	\$8,672,898
Annual Increase		<b>\$434,185</b>	<b>\$185,165</b>	<b>\$308,911</b>	<b>\$374,573</b>	<b>\$289,036</b>

The drop in revenues 2025 is primarily due to the end of American Rescue Act funding for capital purchases the City had from 2022 – 2024 combined with predicted slowing of revenues due to City reaching build-out.

Taking together all the fiscal estimates and predictions the City is predicted to be under on revenues from 2024 – 2026. The exhausting of the City's Street Maintenance reserves to offset the annual debt payments after 2026 also play a major role in the affordability of payroll increases in Figure 5.

**Figure 7. Estimated Expenditures 2023-2027**

<b>Year</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Expenditures:						
Personnel	\$4,684,104	\$4,968,300	\$5,261,300	\$5,547,300	\$5,798,300	\$6,037,300
Debt Service	\$959,103	\$960,282	\$958,696	\$914,100	\$757,565	\$883,390
Capital replacement:						
Purchases	\$663,990	\$292,490	\$171,490	\$214,490	\$136,000	\$483,000
Other Operating	\$1,312,277	\$1,192,800	\$1,228,400	\$1,265,100	\$1,302,900	\$1,341,800
Total Expenditures:	\$ 7,619,474	\$ 7,413,872	\$ 7,619,886	\$7,940,990	\$7,994,765	\$8,745,490
<b>Net Revenues over (under)</b>						
<b>Expenditures:</b>	<b>\$(538,445)</b>	<b>\$101,342</b>	<b>\$80,493</b>	<b>\$68,300</b>	<b>\$389,097</b>	<b>\$(72,592)</b>
Capital replacement Funding (savings)*:	\$297,241	\$323,477	\$307,158	\$294,660	\$293,507	\$287,128
<b>Net after Capital Replacement Funding:</b>	<b>\$(835,686) **</b>	<b>\$(222,135)</b>	<b>\$(226,665)</b>	<b>\$(226,360)</b>	<b>\$95,590</b>	<b>\$(359,720)</b>

\* Funding for future capital replacement (savings) is not a true expenditure but is shown to reflect the commitment of moneys

\*\*2023 is shown in negative balance because the City is utilizing Street Maintenance Fund Balance reserves (\$508,000) and Debt Fund balance reserves (\$51,800) to pay the debt service and a \$260,000 land purchase was made from capital reserves. The use of reserves kept the tax rate increase in 2023 to only \$0.01.

The mid-2020s are predicted to be a fiscally challenging time for the City. The City will become built out (slowing revenue growth), have near 14% of its annual operations committed to debt payments, exhausted its street maintenance fund reserves and generous federal funding assistance will be largely over. These challenges are compounded by the fact the City has three subdivisions with road maintenance requirements that will likely come due in the late 2020s and early 2030s. This Town Plan encourages the City to pursue sales-tax generating businesses and to seek other revenue opportunities to reduce tax burden on property owners. Town Plan also encourages City staff to pursue grant funding at State and Federal level for street, drainage, and water system renewal.

The City in 2023 has many fiscal strengths: the highest bond rating available, a robust tax base with low property tax rates, and healthy financial reserves. The City's history of wise stewardship of financial resources and fiscal conservatism have put it in this position. The way ahead will be fiscally challenging. This Town Plan hopes that this focus area serves as a launching pad to help City staff incorporate long-term financial planning into



the annual budget process and encourages future City Councils to incorporate long-term forecasting into their annual budget consideration. These efforts combined with the continued wise stewardship of the City's financial resources will help the City overcome the coming fiscal challenges.

### **Water Utility long-term Finances**

The Shavano Park water system is funded directly from revenues collected from residential water sales. Variations in annual rainfall have a significant impact on revenues each year. During dry years, residents use significantly more water and the City collects more revenue from increased water sales due to the progressive tier fee structure in place. Water conservation awareness and practices have also impacted water usage and revenues as residents are using less water than they did 15 years ago. The City forecasts the annual budgeted revenue by averaging the previous five-year usage.

Thus, the development of the annual budget and long-term financial planning for the Shavano Park Water Utility is challenging due to difficulty in predicting trends and if future years will be wet or dry. Financial planning is also onerous because the Water Utility is inherently capital-intensive and large unexpected expenses can occur when water wells, tanks, motors and pumps require repair.

As previously detailed within the Infrastructure Focus area, the City has begun, but has not completed, an accurate mapping of the water mains within the distribution system nor has a water model analysis been completed to determine areas within the entire distribution system that may need improvements. Generally, we know that the old water mains that are asbestos concrete or ductile iron will need to be replaced. However, replacement of old water mains is expensive and the water system cannot afford to replace them all at once. Anticipating the cost and schedule needed to replace the old water mains is arduous, at best.

Using 5-year average annual rainfalls totals, the same employee compensation cost prediction as previous analysis, along with scheduled capital replacement and assumed no new debt, the City's prediction for Water Utility annual budgets 2023 – 2028 is in Figure 8 on next page. We can use this short-term analysis to demonstrate that revenues are expected to remain about the same (without rate increases) and expenses will increase, which doesn't account for water line replacement and over the long-term, creates financing challenges.

City staff is currently working with Bexar County to secure a \$750,000 grant using American Rescue Plan Act funds for the water system. This funding will assist the water fund in the short-term by offsetting certain capital improvement project costs.



**Figure 8. Long Range Forecast for Water Utility Fund**

		FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Revenues:							
	Water Revenues	\$ 1,003,600	\$ 1,055,450	\$ 1,055,668	\$ 1,056,257	\$ 1,056,869	\$ 1,057,506
	Other revenues	54,524	84,095	78,825	78,346	77,963	79,627
	Total Revenues	\$ 1,058,124	\$ 1,139,545	\$ 1,134,493	\$ 1,134,603	\$ 1,134,832	\$ 1,137,133
Expenses:							
	Personnel	\$ 347,607	370,505	392,205	413,105	431,905	449,605
	Debt Service	212,772	216,703	214,140	204,310	161,940	163,640
	Bond Agent Fees	400	400	400	400	400	400
	Capital Purchases	73,667	54,380	5,840	9,840	5,840	52,300
	Other Operating	352,144	460,300	474,200	488,400	503,100	518,200
	Transfer to General Fund	22,050	22,050	22,050	22,050	22,050	22,050
	Total Expenses	\$ 1,008,640	\$ 1,124,338	\$ 1,108,835	\$ 1,138,105	\$ 1,125,235	\$ 1,206,195
Net Revenues over (under)							
	Expenses	\$ 49,484	\$ 15,207	\$ 25,658	\$ (3,502)	\$ 9,597	\$ (69,062)
** Capital replacement:							
	Funding (savings)	66,484	81,662	81,663	78,216	77,838	77,839
Net Revenues over (under)							
	Expenses after Capital						
	Replacement Fundings	\$ (17,000)	\$ (66,455)	\$ (56,006)	\$ (81,718)	\$ (68,241)	\$ (146,901)
Notes:							
	Projections are on a budgetary basis of accounting.						
	Interfund transactions have been eliminated to avoid overstating revenues and expenses						
	** Not a true expense, but reflected to show the commitment of moneys and therefore unavailable for operating purposes						

It is noted that most water usage fees have not been changed in over a decade. The Water Service Fee (based upon size of the meter) has not been changed since 2005 and the Water Consumption fee tiers (based upon gallons of water consumed each month) have not been changed since 2010. In 2019, the City Council did approve an increase on the Debt Service fee to stop operating revenues from supporting debt payments. However, this fee has not been adjusted to reflect the utility's share of the State Infrastructure Bank (SIB) loan, used to relocate water mains on NW Military Highway.

This Town Plan encourages the Water Advisory Committee to conduct periodic Water Rate studies to ensure water user fees cover the Utility's expenses. In addition, the City should complete the accurate mapping of the water mains and fund a comprehensive water model. A water main replacement schedule should be developed to more accurately predict future capital replacement costs. Finally, City staff should seek federal

or state grant funding for remediation of aging pipes in the distribution system. Accomplishing all these items will increase the accuracy of financial forecasting and ensure the water system stays self-sufficient in its mission to provide high quality water service to customers.

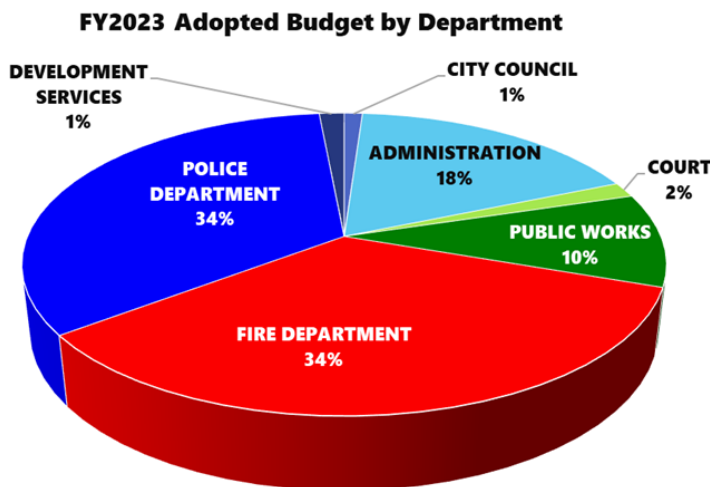


## Shavano Park – City Finances 101

### Funds--

Shavano Park, like most cities, uses multiple funds to account for its financial transactions.

The City's funds are accounting entities where cash and other assets, the related liabilities and equity, and the changes in those items (i.e., revenues and expenditures), are in accordance with City Council's annual budgets or City debt and other financial obligations.



The City's main operations are recorded in the General Fund – administration, court, public works, fire & police operations and development services. Major revenues include ad valorem taxes, sales taxes, franchise fees, permitting fees, court fines/fees and EMS fees. If the activity is not required to be recorded in a separate fund, it will be included in the General Fund. Personnel costs comprise approximately 75% of the expenditures, with other operating costs being supplies, services, repairs & maintenance and utilities.

### General Fund in 2023--

The current general fund budget allocates \$6.2M for City operations from October 1, 2022 to September 30, 2023. The operating budget of the City is roughly 1/3 Police, 1/3 Fire and 1/3 all other departments / transfers.

So, what are some of the items your tax dollars purchased this year? Here are a few:

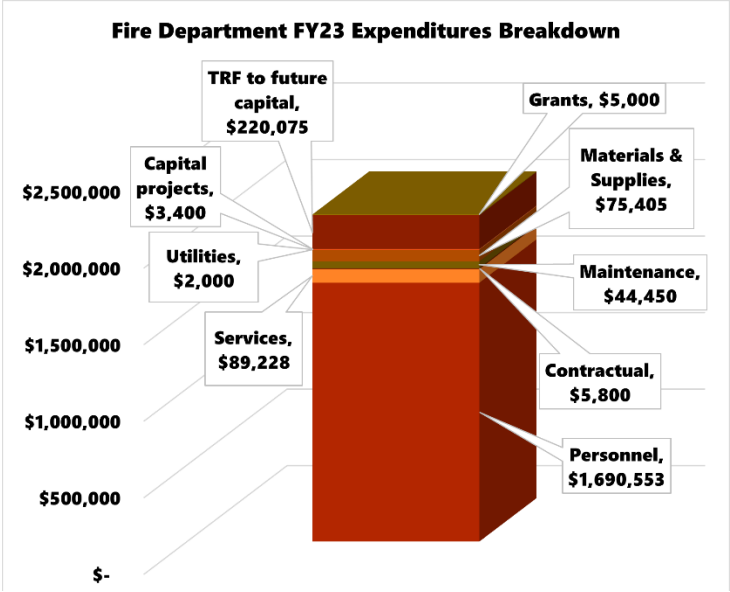
- Wages and benefits for 47 City employees (4 others are Water funded) with an average 6% pay raise for higher payroll employees and 6.5% pay raise for lower payroll employees
- Fuel and maintenance to operate 32 City vehicles and trailers
- \$325,000 transferred to Capital Replacement Fund for future capital purchases
- All costs associated with City-sponsored events, along with all materials, supplies and maintenance of the City's IT network

If this list seems light on equipment expenditures that is because the majority of the General Fund’s capital requirements are being purchased using American Rescue Plan Act (ARPA) funds from the Federal Government to compensate for lost revenues related to the COVID-19 Pandemic, and are recorded in a separate fund (see fund list next page)

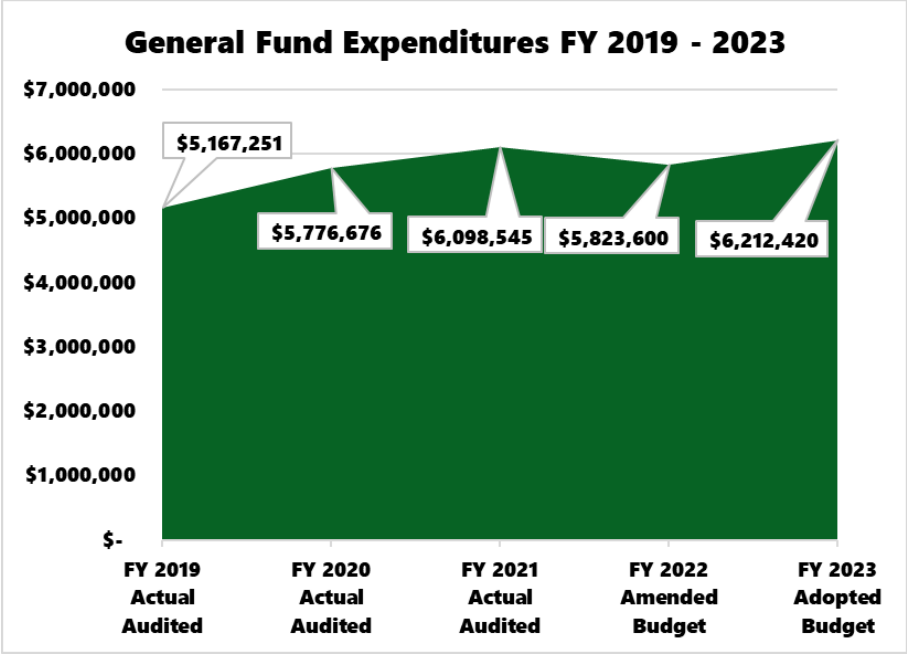
The first item listed above, wages and benefits, is the lion’s share of the City budget. The heart of City operations and services is City staff.

For example, here is a breakdown of the Fire Department’s department funding. As you can see, 79% of the Fire Department’s \$2.1M funding is for the annual wages and benefits of our Fire Fighters and Paramedics.

Note that the majority of the Fire Department’s capital items are purchased from the Capital Replacement Fund. Money is transferred each year to the Capital Replacement Fund to plan for future big-ticket purchases like fire engines and ambulances (and avoid the need for public debt). This year \$220,075 in the General Fund under the Fire Department is being transferred for future Fire Department capital purchases.



In the past five years City General fund expenditures have increased, from \$5,167,251 in FY2019 to \$6,212,240 in FY2023. This is a bit misleading though because \$281,042 of ARPA funds are being used for Capital items that would normally be expended under the General Fund or Capital Replacement Fund. This steady increase has enabled the City to remain competitive with respect to wages and benefits for City employees, and fully fund the City’s capital requirements each year.



The **Water Utility** is another of the City's larger funds. It is intended to be self-supporting, where the operating revenues charged to its users cover all the expenses plus a bit extra to set aside for reserves, for unforeseen events or future system maintenance. Please refer to additional discussion regarding the Water Utility at the end of this document.

**Other significant funds include:**

**Capital Replacement Fund** – amounts are set aside and expended for capital purchases in the administration, public works and fire departments. Annual transfers from the General Fund are budgeted based on a replacement schedule using an estimated replacement cost for significant assets and its useful life. Using this method of funding spreads out the effect these purchases have on the General Fund, avoiding large expenditure swings from year to year, assists in maintaining a level maintenance and operations tax rate and ultimately saves the City money by not having to issue debt to acquire these items. An example of this method would be in February 2019, the City's capital fund was used to purchase a \$1,165,000 ladder truck to replace the City's aging 20-year-old fire engine without the need to acquire public debt. The City intends to fully fund this transfer every fiscal year. This fund also accumulates development fees collected when vacant land is platted, i.e., impact fees, that can be used for any City purpose as directed by Council. In recent years, accumulated development fees have been used for drainage projects and to partially fund the pavilion and playground construction. **At September 30, 2022, the City's most recent fiscal year end, the Capital Replacement Fund's fund balance was \$1,714,750.**

**Crime Control & Prevention District** – supported by 0.25% dedicated sales tax as approved by voters, and used to purchase capital items for the Police Department such as patrol vehicles, equipment, National Night Out and training. **At September 30, 2022, the Crime Control & Prevention District's fund balance was \$367,069.**

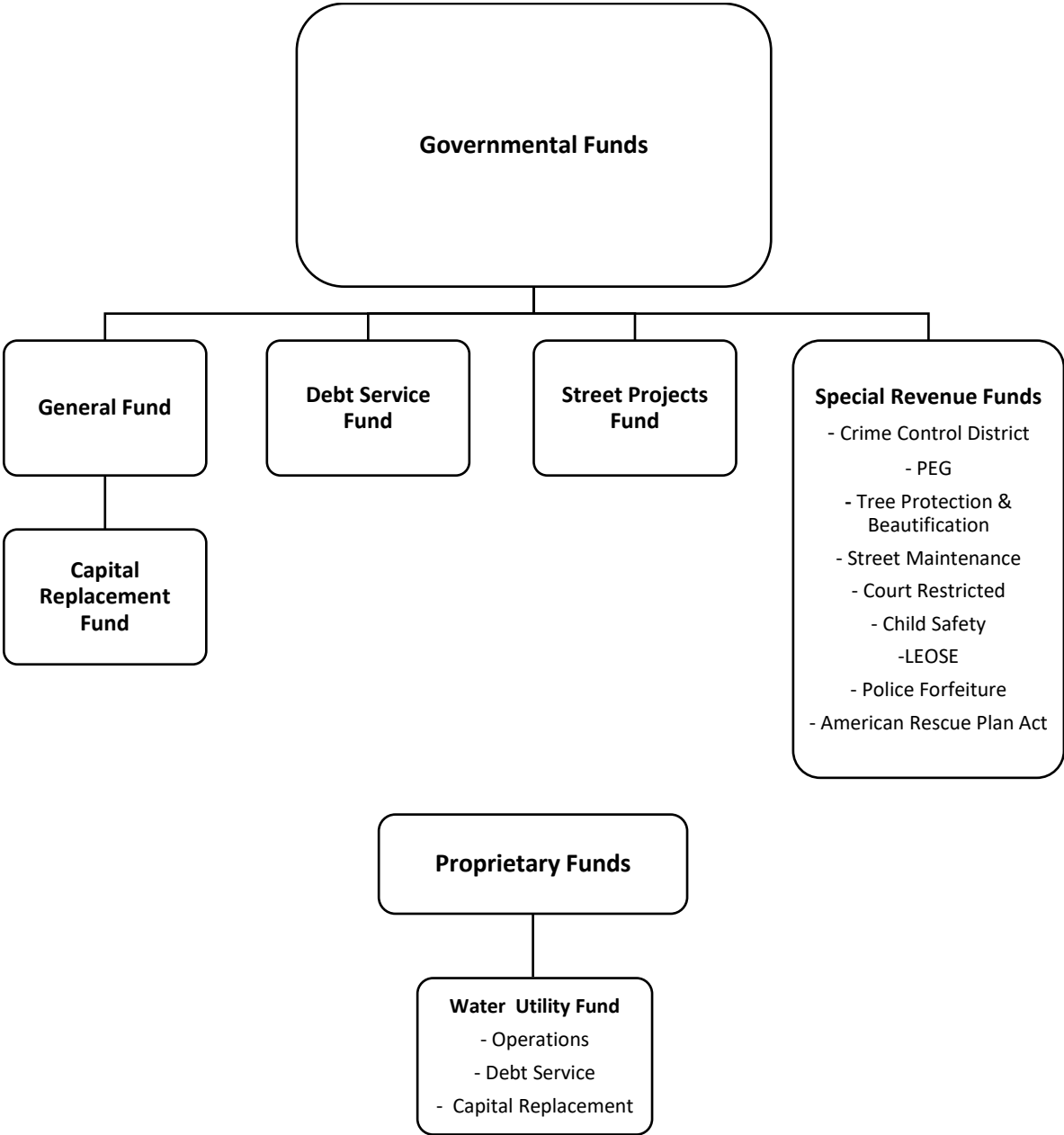
**Streets Project Fund** – proceeds of the 2022 bond issue were deposited into this fund and it accounts for the engineering and construction costs for Phase I and DeZavala street projects. **At September 30, 2022, the Streets Project Fund's fund balance was \$9,512,799.**

**Street Maintenance Fund** – supported by the 0.25% dedicated sales tax as approved by voters, accumulated amounts can be used for maintenance on existing City streets including paying the debt service on the 2022 general obligation bonds which is dedicated, by ordinance, to street reconstruction purposes. **As of March 10, 2023, after the transfer to support the February debt payments, there is \$526,628 available in this fund for street maintenance purposes.**

**American Rescue Plan Act (ARPA) Fund** – supported by \$1 million in ARPA funds from the U.S. Treasury Department to assist local governments in the recovery from the economic and health effects of the COVID-19 pandemic. All funds must be obligated by December 31, 2024 and expended by December 31, 2026. The City has been using ARPA funds primarily to buy capital goods scheduled in the Capital schedule (therefore relieving pressure on the capital fund reserves) rather than new projects entirely. **At September 30, 2022, the City had \$573,902 of ARPA funding to obligate.**

**Debt Service Fund** – accounts for the property taxes levied for and the payment of principal and interest on the City’s general long-term debt. The City currently has outstanding three general obligation bonds and one note payable. The Water Utility’s share of the debt service is paid directly out of that fund and is not reflected in the Debt Service Fund. **At September 30, 2022, the Debt Service Fund’s fund balance was \$115,075.**

The following are charts of all the City’s funds:



Listed under the Special Revenue Funds on the chart are a number of small, limited purpose funds that have activity budgeted every year, but due to their restricted use and small dollar amounts involved, they will not be included in this Finances 101.

## **Budget--**

By statute, the City must have a balanced budget. This budget is City Council's authorization to staff to expend public money. Shavano Park's budget is set on an annual basis in a process that begins with City Manager and Directors in May of each year and is completed in September with the final Council approval for implementation on October 1, the start of the new fiscal year. During that time, Council has multiple workshops to review goals and objectives, prioritize expenditures, seek resident input via public hearings and fine tune the numbers.

## **Revenues --**

The City's primary sources of revenues include ad valorem property taxes, sales taxes, user fees, grants, and investment income.

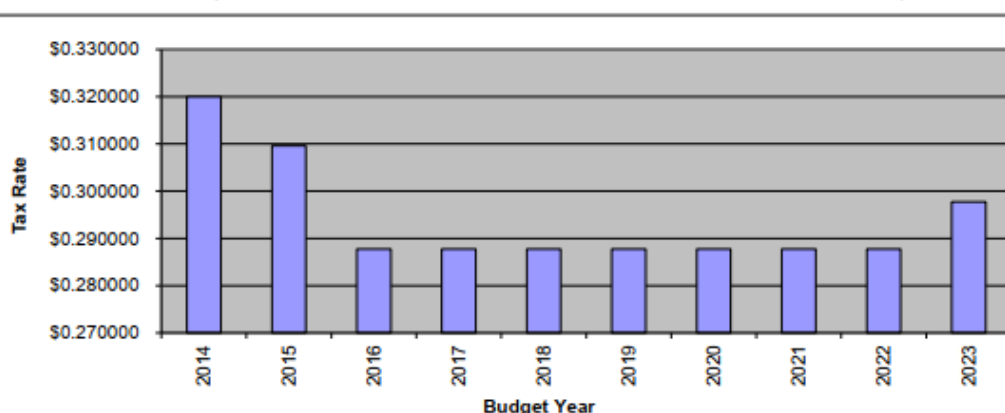
**Ad valorem property taxes** are the City's largest single revenue source and are based on the net taxable assessed value of property within the City limits as determined by the Bexar Appraisal District and taxed at the rate as approved annually by City Council. The City's current tax rate is \$0.297742/\$100 valuation. **There are two components to the tax rate – the maintenance and operations (M&O) rate, currently \$0.275069/\$100, and the interest and sinking (I&S) rate, currently \$0.022673/\$100.** The General Fund receives the property taxes based on the maintenance and operations rate and the Debt Service Fund receives the property taxes based on the interest and sinking rate. **Current statutes limit the increase in the M&O rate to 3.5% per year before the increase must be presented to the voters for approval.** The I&S rate is 'protected' in that the law requires the City to levy an amount sufficient to make the scheduled debt payments, after considering the planned use of other resources, such as debt service fund balance, transfers from other funds, and prior year excess debt collections. **Total FY23 budgeted ad valorem taxes (current and delinquent) is \$4,298,000.**

The City has approved a tax freeze for residents age 65 and older that limits the amount of ad valorem taxes those property owners will be assessed. It sets a ceiling based on the rate and taxable assessed value of the property the year the owner is eligible for the freeze. **As of the most recent Bexar Appraisal District report dated 1/6/2023, the City has 639 properties (31% of the 2,034 total property count) under the freeze, with freeze taxable value of \$476,479,000 (30% of the \$1,586,903,000 total net taxable value).**

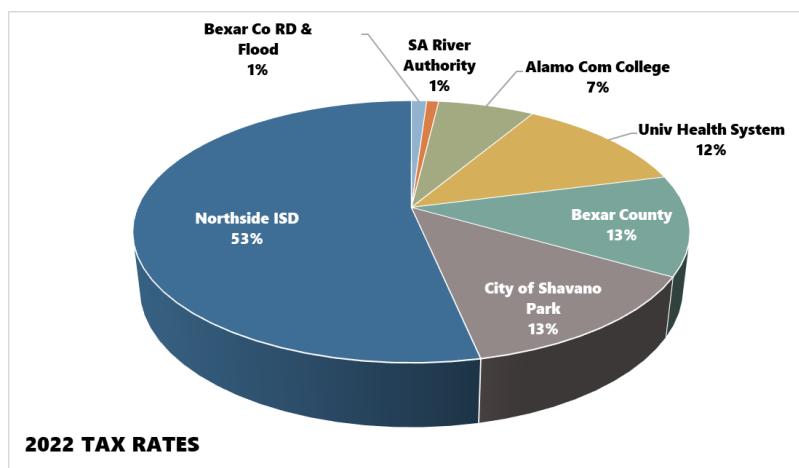
**Current statutes limit the amount a property's net taxable value can increase from one year to the next to 10%.** This cap in taxable value does not limit market value growth year-over-year (which can be higher). This is the 'homestead cap'.

### City of Shavano Park Historical Ad Valorem Tax Rates

Budget Year	Tax Year		M&O	I&S	Total Tax Rate	Change	%	Taxes on \$844,490 Home Valuation	Change
2014	2013		\$0.27244	\$0.04756	\$ 0.320000	0.0000	0.00%	\$ 2,702	\$ 220
2015	2014		\$0.29043	\$0.01919	\$ 0.309617	(0.0104)	-3.35%	\$ 2,615	\$ (88)
2016	2015		\$0.26407	\$0.02368	\$ 0.287742	(0.0219)	-7.60%	\$ 2,430	\$ (185)
2017	2016		\$0.27235	\$0.01539	\$ 0.287742	0.0000	0.00%	\$ 2,430	\$ -
2018	2017		\$0.27487	\$0.01287	\$ 0.287742	0.0000	0.00%	\$ 2,430	\$ -
2019	2018		\$0.27328	\$0.01446	\$ 0.287742	0.0000	0.00%	\$ 2,430	\$ -
2020	2019		\$0.27500	\$0.01275	\$ 0.287742	0.0000	0.00%	\$ 2,430	\$ -
2021	2020		\$0.27464	\$0.01310	\$ 0.287742	0.0000	0.00%	\$ 2,430	\$ -
2022	2021		\$0.27548	\$0.01226	\$ 0.287742	0.0000	0.00%	\$ 2,430	\$ -
2023	2022	Adopted	\$0.27507	\$0.02267	\$ 0.297742	0.0100	3.36%	\$ 2,514	\$ 84



If you are wondering: these rates seem low compared to your recent property tax bill, it is because City property taxes account for only 13% of your total 2022 Tax Year tax bill. The largest portion of your property tax bill is assessed by Northside Independent School District at 53%.



**Sales taxes** – The City’s portion of sales taxes on taxable transactions within its limits is 2.0% (see table for breakdown). The City receives the sales tax settlement from the Comptroller’s office on a monthly basis. Total FY23 budgeted sales taxes, all funds, is \$1,053,000. History of sales tax revenues is on following page.



<b>Jurisdiction</b>	<b>Total: 8.25%</b>
State	6.25%
City (General Fund)	1.00%
City (Street Maintenance)	0.25%
City (Crime Control District)	0.25%
VIA	0.50%

**User fees** – Are specific charges approved by City Council for the purpose of covering operational costs. These fees include – franchise, licenses and permits, EMS services, court fines, and water sales.

**Grants** – Typically must be applied for and are specific purpose driven. Recent grants include the \$25,000 Household Hazardous Waste grant from the Texas Commission on Environmental Quality and the \$32,000 ballistic shields grant from the State of Texas. Usually, grants are on a reimbursement basis where the City must spend the money, provide the proof that it was spent in accordance with the grant terms and then be reimbursed by the granting agency.

**Investment income** – City monies are invested in accordance with the Council approved Investment Policy for safety, to meet cash flow needs and for yield. On the investment side, the City is enjoying the increased earnings its accounts are currently receiving.

**Fund Balance** – is an accounting term for the difference between a fund's assets and liabilities, it's equity– can be thought of as a 'piggy bank' or 'rainy day fund'. **The City has a fund balance policy to maintain an unassigned General Fund fund balance between 25% to 50% of budgeted expenditures.** Use of fund balance requires City Council approval and is only for one-time expenditures, such as capital purchases and not for ongoing operating purposes. The most recent use of the General Fund fund balance was to provide the resources for half of the construction costs for the pavilion/playground/restrooms project. **At September 30, 2022, the City's audited General Fund fund balance was \$2,533,957 an increase of \$92,000 from the prior year's balance. This amount is approximately 41% of the General Funds FY23 budgeted expenditures.** The City Fund Balance, as a percentage of the general fund, has trended lower in recent years due to the growing General Fund.

**Debt** – The City has three bond issues and one note payable outstanding. **The Debt Service Fund supports \$15,843,292 in total debt service requirements. Current budget expensed a total of \$959,103 for debt service.** This debt service breaks down into the following: \$245,067 in revenues from ad valorem taxes, a \$28,940 transfer from the General Fund, \$15,000 from debt service fund balance, \$36,804 in certified prior year excess ad valorem tax collections and a transfer in of \$633,292 from the Street Maintenance Fund.

The three bond issues include:

1. The **Series 2017 General Obligation Refunding Bonds** refunded the Series 2009 issue and is fully paid by the Water Utility as the original proceeds were used for water system improvements, including the Trinity well construction. **The 2017 bonds bear interest of 2.0% - 4.0%, mature February 2039 and have a current balance, after the February 2023 principal payment, of \$1,595,000.**
2. The **Series 2018 General Obligation Refunding Bonds** refunded the Series 2009 issue, which had refunded the Series 2000 issue. The 2018 bonds are paid 20.55% by the Water Utility and 79.45% supported by ad valorem taxes as the original proceeds were used for City Hall construction, streets & drainage and water system improvements. **The bonds bear interest at 2.69%, mature February 2026 and have a current balance, after the February 2023 principal payment, of \$675,000.**
3. The **Series 2022 General Obligation Bonds**, approved by 81% of voters in the May 2022 election, is fully supported by ad valorem taxes and was issued to fund the Phase I street reconstruction project. **These bonds have a stated interest rate of 5.0%, mature February 2042 and have a current balance, after the February 2023 principal payment, of \$9,145,000.**

The **note payable** is held by the State Infrastructure Bank (SIB) thru the Texas Department of Transportation and its proceeds were used to fund the utility relocation as part of TxDOT's Northwest Military Highway expansion project. The debt service is shared equally by the Water Utility and ad valorem taxes. **The note is non-interest bearing until November 2023 after which it carries an interest rate of 2.33%. It matures August 2040 and has a current outstanding balance of \$867,120.**

**Debt Service Ratio.** The City's fiscal year 2022 – 2023 debt service ratio is 0.149 or 14.92%. In other words, 14.92% of the City's ad valorem revenues are committed to debt service. The debt service ratio is the ratio of debt service expenditures as a percent of a municipality's own source revenue (I&S portion of ad valorem taxes in addition to General Fund revenues). The Government Finance Officers Association considers a debt service ratio exceeding 20% as a warning signal for municipalities. A ratio of 10% or less is considered acceptable.

**City Bond Rating.** The City of Shavano Park is rated "AAA/Stable" by Standard and Poor's as of June 8, 2022. This is the highest and best credit rating that can be issued.

## **Water Utility-**

The Water Utility is self-supporting, and receives no ad valorem property taxes nor transfers from the General Fund derived from ad valorem property taxes. The Utility provides a transfer to the General Fund, approximately \$22,000 annually, for administrative support.

The Water Utility services approximately half of the City's residents, with the balance on the San Antonio Water System. Water customers are billed monthly, and the bill has four separate fees – water consumption, debt service, water service and Edwards Aquifer. The water consumption fee generates the most revenue for the Utility. It was last adjusted in 2010, and is tier based, ranging from \$3.07/1,000 gallons on the lowest tier of up to 5,000 gallons used per month to \$11.94/1,000 gallons on the highest tier of over 100,000 gallons used per month. The debt service fee, increased from \$6.40 to \$22.58 per month in 2019 and is intended to fully fund the Utility's annual debt payments. This fee has not been adjusted to include the State Infrastructure Bank annual payments. The water service fee, unchanged since 2005, is based on the meter size, ranging from \$5.10 per month for a 5/8" meter to \$52.22 per month for a 2" meter. The Edwards Aquifer Fee, decreased in 2013 from \$0.60/1,000 gallons to \$0.50/1,000 gallons, is a pass thru, intended to fully fund the Utility's EAA program fee assessments.

The Utility has significant capital assets, and a separate capital replacement fund was established in fiscal year 2015. The Utility annually transfers a portion of revenues to the capital replacement fund since fiscal year 2018. At February 28, 2023, the Utility's capital replacement fund has \$500,164 available reserves and an additional \$110,762 of unspent State Infrastructure Bank loan proceeds for the water main relocation along Northwest Military Highway.

As of September 30, 2022, the most recent fiscal year end, the Water Utility reflected an audited net position (equity) of \$4,520,914 of which \$3,192,564 is invested in physical capital assets and the remaining \$1,328,350 is funds available on hand.

**Water Fund Debt.** The Water Fund supports \$2,994,693 in total future debt service. This year the fund budget expends \$213,172 for debt service.

The fiscal year 2022 – 2023 Water Fund debt service ratio is 20.14%. In other words, **approximately 20.14% of the Utility's revenues are spent on debt service.**

Debt service ratio is the ratio of debt service expenditures as a percent of a fund's own source revenue. The Government Finance Officers Association considers a debt service ratio exceeding 20% as a warning signal. A ratio of 10% or less is considered acceptable. The Debt Service Ratio is high because water service is inherently capital-intensive.