

CITY OF SANTA FE
REGULAR COUNCIL MEETING
NOVEMBER 9, 2023 7:00 P.M.
COUNCIL CHAMBERS
12002 HWY. 6, SANTA FE, TEXAS

MINUTES

The meeting was called to order at 7:00 p.m. by Mayor Bill Pittman.

Roll Call: Present: Mayor Bill Pittman
Mayor Pro Tem Brandon Noto
Councilmember Ronald "Bubba" Jannett
Councilmember John Dickerson
Councilmember Dana Marks

Absent: Councilmember Jason O'Brien

The Invocation was given by Pastor Ryan Williams from Countyline Cowboy Church, and the pledge to the U.S. Flag and to the Texas Flag was led by Mayor Bill Pittman.

Mayor's and City Manager's Report:

Mayor Bill Pittman presented the Mayor's Spirit award to the Wise Old Owl Parliament group.

City Manager Alun Thomas gave a brief update on ongoing developments. The fencing is up around where the demolition is going to take place to make space for the Whataburger. Mr. Thomas updated Council on the digitalization of the city's records into the Laserfiche program and said that staff is making great progress. Mr. Thomas thanked City Secretary Natalie for her efforts and the students from the Santa Fe Independent School Districts S.T.R.I.V.E. program. The students have been working hard for the City and have made great progress in assisting the City Secretary. Mr. Thomas thanked the Park and Recreation Board and the Parks Department for all the extra programming at the Joe A. Tambrella park next to the library. The Candy Trail event brought in more than 400 children and had a lot of sponsors and vendors. These efforts really helped showcase what a great park the city has next to the library. Mr. Thomas thanked everyone who volunteered their time and the businesses in attendance for donating the candy, which helped to make the Candy Trail a success.

1. Presentation and approval of minutes: 10/12/2023 regular meeting, 10/26/2023 regular meeting. The minutes were approved as presented.

2. Presentation of departmental reports by staff, specifically a recap of the activities performed during the previous month and a report of upcoming activities, events, and projects on the horizon

- 1) Community Services – building permits issued, fees collected, inspections performed, development update
- 2) Parks and Community Center – park maintenance activities, center rental statistics, Candy Trail event
- 3) Municipal Court – cases filed, revenue collected, warrants issued and cleared
- 4) Police – calls for service statistics, traffic crash analysis, use of force incidents
- 5) Fire Marshal – burn permit issuance, inspection activities
- 6) Library – patron and program attendance, circulation material statistics, fines and donations collected
- 7) Street – drainage projects, street maintenance and improvement activities, equipment maintenance

City Manager Alun Thomas explained to Council that the finance reports are presented during the second meeting of the month however, there is no second meeting this month so the month of October will be presented at the December 14, 2023, regular meeting.

Citizens' Comments:

None.

Business:

A. Old Business:

1. Consideration and possible action: First and final reading of an ordinance of the City of Santa Fe, Texas, regarding the City of Santa Fe's Texas Municipal Retirement System benefits providing employees with five-year vesting

Finance Director Rudy Zepeda explained that in the previous meeting, Council asked that staff investigate the long-term financial implication of the five-year vesting for the City beyond the current year. He said that there is a lot of information, so staff is not asking that Council decide at this time and to postpone action on the item to a later time. However, staff would like to make sure the Council is given more information when determining its decision. Therefore, Kenneth Oliver, an Actuarial Analyst from Texas Municipal Retirement System (TMRS), was in attendance to present Council with more information about the five-year vesting retroactive Cost-of-Living Adjustment (COLA) program and nonretroactive COLA program and to answer any questions. Mr. Zepeda explained in detail that in 2021, Council approved the 2:1 match for city employees through TMRS and the increased liability resulting from that choice. Mr. Oliver spoke in great length about TMRS's projected impact on the City should it choose one of the two new options presented to Council this evening. After much discussion, Council agreed that it would like to schedule some workshops so that they can have a better understanding of the programs and projected impact in future years to come. There was no motion needed at this time.

2. Presentation and direction: Proposed creation and operation of a City of Santa Fe staff-level public involvement initiative to be named the "City Action Network" for the proactive identification, reporting, and addressing of hyperlocal issues

Communications Specialist Laurie Tollett explained that during the previous Council meeting, the proposed creation of the City of Santa Fe "City Action Network" which consists of the involvement of the public for the proactive identification, reporting, and addressing of hyperlocal issues within the city, had been approved by Council, and staff was directed to proceed with the creation and to establish an operation module. Ms. Tollett explained that the implementation of Laserfiche would help promptly communicate with the requestor within the first day. Once the request has been received, Ms. Tollett will then contact the appropriate department or outside entity. At this time, staff has only mapped out what day one will consist of. Depending on the needs of the request, staff would update the requestor every day or every other day (or another schedule, depending on the need) until the issue is resolved. There are some requests that are unable to be fulfilled and staff will make sure to communicate these issues to the requestors as well. City Manager Alun Thomas explained that Laserfiche is more than just a digital filing cabinet; it allows for business processes where staff can automate responses to make sure the requestor is getting frequent updates if they wish. If a request is passed to another entity, Laserfiche can then respond to the requestor that the issue or work order has been sent to the entity that can fulfill their request and it has been closed on our end, and that the requestor can follow up with that entity. Leveraging Laserfiche can help prompt staff with tasks to make sure it is following up on a regular basis. If there are requests that are just too big to fulfill, they could be added to the Capital Improvement Plan and Laserfiche can notify those requestors to inform them when the Capital Improvement Plan will be presented to Council, so that they can attend the meeting and comment on the issue. Staff want to ensure to be respectful of citizens' time and needs through communication. The program will not go live until it has been built out and has been quality controlled to make sure there are no errors in the process.

Council was concerned about the effect this could have on other departments and the departments time, staff can not determine that impact at this time however, staff will work to have an appropriate process in place. Council also had concerns with these requests affecting the budget, if there would be appropriate documentation to keep up with the process of all the requests and especially the request that cannot be fulfilled until a later time. Streets Superintendent Billy Creppon explained to Council that his department does what it can with the budget that the Streets Department has. Mr. Creppon explained that when there are requests pertaining to streets there are workers,

equipment, supplies and money that are needed to fulfill these types of needs. Mr. Thomas said that the City does not have unlimited funds and that all requests will be prioritized by importance and available funds.

After much discussion, the Council agreed it is still a great idea and would like to see a trial run in one zone/area to work out any kinks in the process. Council would like staff to continue working on the program and to bring the item back once they have built out the process more.

3. Consideration and possible action: Approval of an amended Collective Bargaining Agreement between the City of Santa Fe, Texas, and the Santa Fe Police Officers' Association for the period October 1, 2023, through September 30, 2024, and authorizing the Mayor and the City Manager to execute the amended agreement on behalf of the City

City Manager Alun Thomas explained that after execution of the Collective Bargaining Agreement (CBA), staff realized there were two small errors. The first error is under the Eligibility for Promotion for the Corporal Position, it had been discussed whether there should be a 3% or 5% raise, both sentences were left in the agreement. The agreed amount was the 3% raise, and the approval of this amendment will remove the 5% requirement. The second error was the training a patrol officer would need to have in order to be promoted to Corporal. Originally it was that they would have to have passed a field officer training course; however, it is agreed that it is better to have an Intermediate Peace Officer's license which shows the person has reached a higher level of skill. Police Sergeant Lino Garcia confirmed the amendments and explained that there is not a Corporal position open at this time. However, if a position were to become available, these changes would need to be made to fulfill a running list.

Motion by Councilmember Marks, seconded by Councilmember Noto, to approve execution of the amended Collective Bargaining Agreement between the City of Santa Fe, Texas, and the Santa Fe Police Officers' Association with the changes taken in affect immediately. The motion passed the roll call vote unanimously.

Police Sergeant Lino Garcia announced that the Police Officers' Association will be partnering with the Santa Fe Fire and Rescue to hand out turkeys and canned goods for Thanksgiving. Sergeant Garcia said that if anyone is in need, to please go to the Santa Fe POA Facebook page for updates and information.

B. New Business:

1. Discussion and direction: Proposed letter to the U.S. Department of Housing and Urban Development (HUD) in support of the continuation of its Community Development Block Grant Mitigation (CDBG-MIT) program and the HUD-approved plan for administration of the program in the State of Texas

City Manager Alun Thomas explained that the U.S. Department of Housing and Urban Development (HUD) had informed the City of Santa Fe that it was eligible for one of these grants through HUD, a while back. The City of Santa Fe complied with all the requirements from HUD, spending much time and money in the efforts doing so. Due to the arguments between the State and Federal Government the program is now on hold. The General Land Office (GLO) asked that if the Council agrees that HUD should release the funds to honor the conditions of the agreement, that the City should send a letter expressing its concerns in the delay and ask they release the funds. Council was presented with a proposed letter from the Office of the Mayor and asked if it would like for the Mayor to sign it, given that the part of the letter that says the whole Council agreed with it. Council approved the Mayor signing and sending the letter.

Motion by Councilmember Jannett, seconded by Councilmember Marks, to approve the proposed letter to the U.S. Department of Housing and Urban Development (HUD) in support of the continuation of its Community Development Block Grant Mitigation (CDBG-MIT) program. The motion passed the roll call vote unanimously.

2. Public Hearing: Request to amend Ordinance No. 02-03, commonly known as the City of Santa Fe Unified Development Code, or the Santa Fe Zoning Ordinance, 2002 edition, the official zoning map adopted under Section 3.08, by changing the zoning classification from Single-Family Residential (R-1) to Highway Commercial (HC) at 12120 FM 1764, Santa Fe, Texas, legally described as ABST 11 W 120 ft of Lot 18 (18-2) Novelli Sub, City of Santa Fe, Galveston County, Texas; and with a Conditional Use Permit to allow a single-family, attached caretaker residence; and providing for the incorporation of preamble, a repealer clause, a severability clause, and an effective date

Community Services Director Georgia Carmack said the new owners of the property have requested that the property zoning be changed from Single-Family Residential (R-1) to Highway Commercial (HC). The owners want to change the garage portion of the home to a furniture and interior design business. Changing to HC will allow the caretakers' residence to be the living portion of the home and the garage to serve as the business portion. If the owners were to ever sell the property it will take away the Conditional Use Permit for the caretaker's residence but the zoning will still remain as HC. According to the Comprehensive Plan, HC is what the City wants this area to be.

Mayor Bill Pittman opened the Public Hearing at 8:05 p.m.

Cathy Morrison, 3510 Ave L, asked why the property would not be changed to Neighborhood Commercial (NC), as opposed to the Highway Commercial (HC). Council explained that the Comprehensive Plan has stated it wants most of that area to be HC, eventually hoping to change all of it to HC. Ms. Morrison asked if that meant it would increase the taxes, Mayor Pittman explained that zoning an area is to tell buyers what they are allowed to have on that property. Ms. Morrison said that she was just wanting clarification on what a zoning change was.

Mayor Bill Pittman closed the Public Hearing at 8:07 p.m.

3. Consideration and possible action: First reading of an ordinance of the City of Santa Fe, Texas, amending Ordinance No. 02-03, commonly known as the City of Santa Fe Unified Development Code, or the Santa Fe Zoning Ordinance, 2002 edition, the official zoning map adopted under Section 3.08, by changing the zoning classification from Single-Family Residential (R-1) to Highway Commercial (HC) at 12120 FM 1764, Santa Fe, Texas, legally described as ABST 11 W 120 ft of Lot 18 (18-2) Novelli Sub, City of Santa Fe, Galveston County, Texas; and with a Conditional Use Permit to allow a single-family, attached caretaker residence; and providing for the incorporation of preamble, a repealer clause, a severability clause, and an effective date

Mayor Pittman asked if there would be furniture displayed in the yard, the property owners confirmed there would not be any furniture displayed outside. The property owners, Monica Spanos and Jarrod Bleckinger, said that the garage has already been professionally remodeled with a showroom designed specifically for the business. Most of the square footage is the business portion. Mayor Pittman asked for clarification on the repealer clause, City Manager Alun Thomas explained that if one part of the ordinance is invalid or illegal then the rest stays in place. There are two parts to the request, the rezoning, and the Conditional Use Permit (CUP). Mr. Thomas explained that the CUP allows the owners to operate the business and to also reside on the property, because this is unusual, the CUP is tied to these specific owners. Therefore, if these owners decide to sell the property, the next owners will then have to come to Council for approval if they want to continue with the same use of the property. Ms. Carmack said that the Planning and Zoning Commission approved the Conditional Use Permit unanimously. Ms. Carmack said the property is in compliance with the requirements of the Highway Commercial (HC) district; there is area for parking and it meets the square footage restrictions. Council had concerns about future businesses that could potentially be at this location since there is a large variety of uses that are allowed in HC zoning districts. Mr. Thomas stated that Council could add a condition to the Conditional Use Permit stating that the CUP depends upon the owners living there but only with a furniture business, or indeed, with any other objections that it wishes. The property

owners said the business will be for home decor, furniture, and smaller gift items and confirmed once again that there will be no furniture or items displayed outside.

Motion by Councilmember Dickerson, seconded by Councilmember Jannett, to approve the first reading of the ordinance changing the zoning classification from Single-Family Residential (R-1) to Highway Commercial (HC) at 12120 FM 1764, Santa Fe, Texas, and with a Conditional Use Permit to allow a single-family, attached caretaker residence; for the existence of only a home décor, furniture business. The motion passed the roll call vote unanimously.

Cit Manager Alun Thomas noted that this is the first reading of the ordinance and there will be a second reading at the regular meeting December 14, 2023.

4. Consideration and possible action: First reading of an ordinance of the City Council of the City of Santa Fe, Texas, amending Subsection 4.03.05 C of Section 4.03, R-2 Medium Density Residential District, of Article 4, Zoning Districts, of the City of Santa Fe's Zoning Code to reduce the rear setback requirement; updating Appendix 4-E of the Zoning Code to reflect such change; and providing a repealer clause, a severability clause, and an effective date

Community Services Director Georgia Carmack told Council that this item was considered by the Planning and Zoning Commission (P&Z) on Monday, November 6, 2023, and that the Commission postponed the approval until its December meeting on December 5, 2023. Therefore, staff would like the Council to also postpone its consideration. There were a few questions the Commission requested clarification on, and they have now been resolved. City Manager Alun Thomas explained that staff noticed that the Single-Family Residential (R-1) Residential District, that is intended to provide for traditional homes with more land, allows for greater density of housing than can be achieved under the R-2 Medium Density Residential District, due to the latter district's requirement that buildings be set further back from the property line than in an R-1 district. A key element in the Comprehensive Plan is what is called the "missing middle" housing. Such housing is what the R-2 district should allow for. R-1 districts allow homes to be no less than 15 feet from the rear property line, whereas R-2 districts extends that distance requirement to 25 feet. The proposal in front of P&Z was to change the rear setback requirement for R-2 to match the 15 feet requirement in the R-1 districts. P&Z will decide whether the change is prudent regarding future setbacks and drainage concerns, and then it will be brought back to Council in December with P&Z's recommendation so that Council can consider it as well.

Motion by Councilmember Noto, seconded by Councilmember Marks, to postpone the first reading of the ordinance until December 14, 2023. The motion passed the roll call vote unanimously.

5. Consideration and possible action: Adoption of a resolution casting a ballot for the Galveston Central Appraisal District Board of Directors for the two-year term beginning January 1, 2024, and ending December 31, 2025

City Manager Alun Thomas explained that the Santa Fe City Council is a voting unit of the Galveston Central Appraisal District (GCAD) Board of Directors. Approval of this resolution will allow the City of Santa Fe to cast up to all of its 17 votes. The votes can go to 1 or up to 5 of the candidates. GCAD must have a decision from the City before December 15, 2023. Councilmember Noto spoke with Tax Assessor Cherly Johnson, who recommended casting one vote for each candidate, and the remainder of the votes to the Mayor of Kemah, Robin Collins. Casting one vote for each candidate allows for the City of Santa Fe to cast a vote in any future recall election of that member.

Motion by Councilmember Noto, seconded by Councilmember Marks, to cast one vote for Scott Brast, one vote for Matt Doyle, one vote for Thomas Farmer, one vote for Donald Gartman, one vote for Chad Tressler and twelve votes for Robin Collins. The motion passed the roll call vote unanimously.

6. Consideration and possible action: Appointment of two members to the Park and Recreation Board – one member to serve the remainder of an unexpired two-year term to expire in February 2024, and one member to serve the remainder of an unexpired two-year term to expire in February 2025

Mayor Pittman explained that his term on the Park and Recreation Board expires in the term that expires in February 2024, however he will not be resigning from his position and will finish the remainder of his term. Now therefore, only one member will need to be selected, to finish the unexpired term that expires in February 2025.

Motion by Councilmember Jannett, seconded by Councilmember Noto, to appoint John Murello to the Park and Recreation Board to serve the remainder of an unexpired two-year term to expire in February 2025. The motion passed the roll call vote unanimously.

7. Consideration and possible action: First and final reading of an ordinance of the City of Santa Fe, Texas amending the General Fund Operating Budget for the Fiscal Year ending September 30, 2023

Finance Director Rudy Zepeda explained that a budget is just an educated guess at the beginning of the year; therefore, at the end of the year, there needs to be some adjustments to align with what actually happened. Therefore, the City's auditors insist that there be budget amendments to reflect a balanced budget. Mr. Zepeda explained to Council the overall expenses incurred and savings realized throughout the year. There are no additional revenue or expenses, which makes this a balanced budget. Mr. Zepeda said that it looks like the City will be in the positive at the end of the year and will have a better gauge at the end of November for the final revenues that come in from the franchise taxes.

Motion by Councilmember Noto, seconded by Councilmember Marks, to approve the first and final reading of the ordinance amending the General Fund Operating Budget for the Fiscal Year ending September 30, 2023. The motion passed the roll call vote unanimously.

8. Consideration and possible action: First and final reading of an ordinance of the City of Santa Fe, Texas amending the General Fund Operating Budget for the Fiscal Year ending September 30, 2024

Finance Director Rudy Zepeda explained this is the first budget amendment for Fiscal Year 2024. Mr. Zepeda said the Council originally budgeted \$102,000 negative, which is being used to appropriate fund balance in order to balance the budget. The balancing of expenses is for the windstorm insurance, community services in the amount of \$4,500 (moving funds from one line to another), the air-conditioning system for the Santa Fe Justice Center, and software for the Fire Marshal's Office. These items are being paid for by a rate annualizing, actual sales taxes as opposed to budget sales taxes which is used to make the prediction for the 2024 budget for sales tax revenue. Now that the final numbers are coming in and are better off, the revenue projection for 2024 can be adjusted in order to offset these expenses.

Motion by Councilmember Marks, seconded by Councilmember Noto, to approve the first and final reading of an ordinance of the City of Santa Fe, Texas amending the General Fund Operating Budget for the Fiscal Year ending September 30, 2024. The motion passed the roll call vote unanimously.

9. Consideration and possible action: Adoption of a Resolution by the City of Santa Fe, Texas, authorizing and approving membership in the cities served by CenterPoint Gas (Cities) for the purpose of protecting the interest of the City and its citizens with respect to CenterPoint matters; further suspending the December 4, 2023 effective date of the statement of intent of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas to change rates in the Texas division; to permit the City time to study the request and to establish reasonable rates; finding that the City's reasonable rate case expenses shall be reimbursed by the company; authorizing participation with the Cities served by CenterPoint Gas; hiring legal and consulting services to negotiate with the company and

direct any necessary litigation and appeals; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel

City Manager Alun Thomas explained that when energy companies who provide gas services in the City of Santa Fe seek to increase their rates, they are required to get authorization and must notify the City ahead of time of those proposed rate increases. CenterPoint in all of its Texas operations, is looking to gain about another \$37,400,000 in additional gas revenue. This is about 5.7% more than they will get this year. If the City does nothing then it will go into effect on December 4, 2023. This approval of this resolution will allow for more time to study the request while saving our residents a small amount of money. There is no cost to the City for this action; approval of the resolution also passes on the cost of the City's attorney to CenterPoint.

Motion by Councilmember Noto, seconded by Councilmember Marks, to adopt a resolution suspending the effective date of CenterPoint's proposed rate increase as presented. The motion passed the roll call vote unanimously.

Announcements:

Mayor Bill Pittman let everyone know this Saturday, November 11, 2023, will be Heritage Festival at Runge Park. The Old Smokey BBQ cookoff has been postponed with a date to be determined. Christmas in the Park will be Wednesday, November 29, 2023, at Mae S. Bruce Library. The Christmas parade will be Saturday, December 2, 2023, starting at the Santa Fe High School heading down Highway 6 to Warpath Avenue. Terri O'Connell welcomed the newest Board member of the Santa Fe Chamber of Commerce, Brandon Noto. Galveston County Salvation Army is still having the Angel Tree program, if anyone would like to register to adopt an angel, they can contact Terri O'Connell or go to registertoring.org. Finance Director Rudy Zepeda reminded Council that there is still availability for members of Council to attend finance training with him. Library Director Becky McClain announced that the Friends of the Library decided to do a Fun Run on Saturday, November 11, 2023. There will be a 1K and 5K race around Runge Park. Ryan McCamy let everyone know there will be an event honoring veterans at the Heritage Festival. The Santa Slam Toy Drive will be held at the Santa Fe Fire and Rescue's Station 1 on December 1, 2023. Cash donations or an unwrapped new toy will be accepted and donated to H.I.S. Ministries. Councilmember Noto reminded everyone that the Santa Fe Lions Club will be selling \$5 pies to throw in the faces of Mayor Bill Pittman, Commissioner Joe Guisti, Santa Fe Police Chief Walter Braun, Santa Fe Independent School District Superintendent Dr. Bott, Constable Paul Edinburg, and himself.

Motion by Councilmember Noto to adjourn. The motion passed and the meeting adjourned at 8:45 p.m.

ATTEST:


Natalie N. Arnett, City Secretary


BILL PITTMAN, MAYOR