

**CITY OF SANTA FE
REGULAR COUNCIL MEETING
MARCH 14, 2024 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, excused

The Invocation was given by Pastor Lucas Campbell from New Life 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 before the City Manager's update.

1. Presentation by Mayor Pittman of a Mayor's Spirit Award to Morgan Welch for her assistance with social media. Councilmember Noto expressed his appreciation for Morgan Welch's dedication to the City.

City Manager Alun Thomas gave an update on the progress of the Starbucks, Whataburger, RC Systems, Big Horn, and Hubcap Grill developments. Both Big Horn and Hubcap Grill are projected to be open for business by the end of April. Mr. Thomas said the Santa Fe Economic Development Corporation (EDC) has filled the vacant EDC Coordinator position, Jessica Portie who will be starting Monday, March 18, 2024. Mr. Thomas thanked EDC President Bob Wylie for allowing him to be a part of the interviewing process. Mr. Thomas announced the City's second annual Hurricane Preparedness Expo is scheduled for May 11, 2024, at 10:00 a.m., with Community Services Director Georgia Carmack. Mr. Thomas has been working with Texas Division of Emergency Management District Coordinator Mike Jones on the availability of a grant for a replacement generator for City Hall. Communications Specialist Laurie Tollett is finalizing the City's mass communications system next week and hopes that everyone in Santa Fe will sign up to receive notifications from the City. Mr. Thomas said that he and the City Secretary Natalie Arnett have visited several businesses and attended community events to increase their visibility in the community, as requested by Council. Mr. Thomas and Community Services Director Georgia Carmack attended a meeting of Galveston County Water Control and Improvement District No. 8 on February 15, 2024, to participate in some of the discussions that the District had concerning developments and agreements. Mr. Thomas thanked the District for their hospitality.

2. Presentation and approval of minutes: 2/8/2024 regular meeting, 2/22/24 special meeting, and 2/22/24 regular meeting. The minutes were approved as presented.

3. 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
- 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; library accreditation
- 7) Street – drainage projects, street maintenance and improvement activities, equipment maintenance
- 8) Resiliency Center – counseling statistics, including new and continuing clients, for individual and family sessions

Citizens' Comments:
None.

Business:

A. Old Business:

1. Consideration and possible action: Second and final reading of a resolution of the City Council of the City of Santa Fe, Texas, authorizing and approving the Santa Fe Economic Development Corporation's project to expend funds in accordance with an economic development agreement by and between the Corporation and NC4 Management, LLC towards the financing of water and sewer connectivity to its 175-unit senior living community located on FM 1764

City Manager Alun Thomas explained that according to the State Law, any resolution pertaining to the Santa Fe Economic Development Corporation (EDC) expenditures must have two readings. The first reading was approved at the regular meeting on February 22, 2024, with stipulations from the EDC and two additional stipulations from the Council. Mayor Bill Pittman said that he and Council had received a letter from Timothy Clark that had been sent to the attorney to review, Mr. Thomas said that staff has currently not received a response with guidance from the attorney. Mayor Pittman suggested to Council that this item be postponed until staff has received communication from the attorney. Mr. Thomas explained to the citizens in attendance the ongoing proposed Assistant Living Facility and discussions with the Developer during previous meetings. The Developer originally purchased the property to build apartments, however, the project failed as this location needed specific use from Council to allow apartments in this location. The Developer then decided instead of apartments, he would then build and operate an Assistant Living Facility. There would be a total of 175 units, 88 of the proposed units would be used as "Independent Living" and the remainder 87 units would be used as "Assistant Living" or "Memory Care". The concern Mr. Clark has is if there are more units for "Independent Living" than for "Assistant Living" this would potentially be apartments rather than an Assistant Living Facility. Therefore, the staff sought the advice of the City Attorney. Councilmember Noto expressed his concerns about the apparent dearth of information about the project.

Motion by Councilmember Noto, seconded by Councilmember Marks, to postpone the second and final reading of a resolution approving the Santa Fe Economic Development Corporation's project to expend funds in accordance with an economic development agreement by and between the Corporation and NC4 Management, LLC towards the financing of water and sewer connectivity to its 175-unit senior living community located on FM 1764. The motion passed the roll call vote unanimously.

B. New Business:

1. Consideration and possible action: Approval of a resolution of the City Council of the City of Santa Fe, Texas, authorizing aerial spraying for the abatement of mosquitoes

City Manager Alun Thomas explained that before any aerial spraying for mosquitoes takes place in City limits, the City Council must approve of such spraying. The Council had concerns about whether residents will be notified before the spraying begins, Mr. Thomas said that there is a call list and anyone who is signed up will receive a call with an update of the scheduled spraying. Mr. Thomas said that Communications Specialist Laurie Tollett will post the contact information on the website so that the citizens can get the requested information about the spraying.

Motion by Councilmember Jannett, seconded by Councilmember Noto, to approve the resolution authorizing aerial spraying for the abatement of mosquitoes as presented. The motion passed the roll call vote unanimously.

2. Consideration and possible action: Adoption of a Resolution by the City of Santa Fe, Texas, suspending the April 10, 2024 effective date of CenterPoint Energy Houston Electric, LLC's requested rate change to permit the City time to study the request and to establish reasonable rates; approving continued cooperation with the Gulf Coast Coalition of Cities; hiring Lloyd Gosselink Attorneys and Consulting Services to negotiate with the company and direct any necessary litigation and appeals; requiring reimbursement of Cities' rate case expenses; 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 for the Gulf Coast Coalition of Cities

City Manager Alun Thomas explained that CenterPoint Energy is looking to increase the cost of its wholesale distribution fees, and that the change involves voluminous and detailed paperwork that requires time to read and understand. This resolution will suspend the proposed effective date by 90 days, which will allow for the City's legal counsel, Gulf Coast Coalition of Cities, to allow for them to research to see if the fees are reasonable. If Gulf Coast Coalition does not believe the fees are reasonable, they propose what they believe is a reasonable amount on the City's behalf. The resolution will not stop the increase; however, it has the effect of pausing the increase for up to 90 days while the determination is made.

Motion by Councilmember Noto, seconded by Councilmember Marks, to approve the resolution suspending the April 10, 2024, effective date of CenterPoint Energy Houston Electric, LLC's requested rate change as presented. The motion passed the roll call vote unanimously.

3. Consideration and possible action: First reading of an ordinance of the City of Santa Fe, Texas, amending the Traffic Control Device Inventory-Schedule III and Traffic Control Device Inventory-Schedule II in accordance with Chapter 9, Section 2, Subsection D and Subsection C, respectively, of the Code of Ordinances, of the City of Santa Fe, Texas, to move a two-way stop sign location from Traffic Control Device Inventory-Schedule III to the four-way stop sign inventory known as Traffic Control Device Inventory-Schedule II and to add stop signs on 2nd Street at Avenue L in accordance with such change

City Manager Alun Thomas said traffic on 2nd Street currently does not have to stop at Avenue L, however the traffic on 2nd Street has increased tremendously. Mr. Thomas explained to the citizens in attendance the recent traffic analysis conducted on 2nd Street showed approximately 5,000 vehicles a day using the street. With the high volume of traffic, it tends to make the intersection dangerous when turning onto 2nd Street from Avenue L. Therefore, Mr. Thomas, Streets Superintendent Billy Creppon, and Santa Fe Police Chief Walter Braun agree a four-way stop would promote a safer intersection. Councilmember Dickerson asked about adding flashing lights at the four-way stop, Mr. Thomas said that the lights tend to malfunction and suggested it may be better to add "Stop Sign Ahead" signs. However, if Council would rather the flashing lights, staff could absolutely have them installed. Council agreed that "Stop Sign Ahead" signs should be installed.

Motion by Councilmember Dickerson, seconded by Councilmember Jannett, to approve the first reading of an ordinance, amending the Traffic Control Device Inventory-Schedule III and Traffic Control Device Inventory-Schedule II in accordance with Chapter 9, Section 2, Subsection D and Subsection C, respectively, of the Code of Ordinances, of the City of Santa Fe, Texas, to move a two-way stop sign location from Traffic Control Device Inventory-Schedule III to the four-way stop sign inventory known as Traffic Control Device Inventory-Schedule II and to add stop signs on 2nd Street at Avenue L in accordance with such change. The motion passed the roll call vote unanimously.

4. Consideration and possible action: Approval of payment to Associated Supply Company, Inc. for freight costs associated with the parts used to repair the City's 2020 Gradall XL 3100 last year

Finance Director Rudy Zepeda explained when the invoice for the parts to repair the City's Gradall was received there was a fee for the freight costs which was not included in the quote. Mr. Zepeda contacted Associated Supply

Company, Inc. (ASCO) and asked that they split the invoice into two invoices so that Council could consider authorizing the payment for the freight charges separately, should it so choose. The invoice for the parts and repairs, which had been previously authorized by Council, was promptly paid in full. Streets Superintendent Billy Creppon said that if any equipment needs repairs through ASCO, then ASCO might not do the repairs until the invoice for the freight charges is paid, if that is the case, Mr. Creppon would like to have the approval to pay the invoice. Mr. Creppon said the funds are in the maintenance budget for this Fiscal Year. Mr. Zepeda said it is ultimately about the threshold staff is allowed to authorize without the approval from Council. Following a discussion, it was the direction of Council that staff only pay the invoice for the freight charges should ASCO ask again for the payment.

Motion by Councilmember Noto, seconded by Councilmember Dickerson, to authorize the approve of payment to Associated Supply Company, Inc. for freight costs associated with the parts used to repair the City's 2020 Gradall XL 3100 last year if requested by Associated Supply Company, Inc. The motion passed the roll call vote unanimously.

5. Consideration and possible action: Award of Request for Proposal COSFT-RFP2024-04 for the repair or replacement of heating, ventilation, and air conditioning (HVAC) equipment at the Santa Fe Justice Center, and authorizing the Mayor to execute an agreement with the awarded vendor on the behalf of the City

Community Services Director Georgia Carmack said the Request for Proposal (RFP) closed Wednesday, March 13, 2024. Mr. Carmack met with six companies that gave an assessment of the heating, ventilation, and air conditioning (HVAC) system at the Justice Center. Several companies stated they would not be bidding on it because the job was out of their scope of work, time, and cost. Two bids were received, one from HTS Texas for an assessment, and the other from HCL Services, LLC for a replacement system. Ms. Carmack asked Building Official Ray Burgess and Building Inspector Jim Wedergren if they would look at the system and give insight from an inspector's point of view, which they did.

Building Inspector Jim Wedergren said that he and Mr. Burgess did a visual inspection of the system and had a list of some comments, concerns, and questions relevant to the system:

- Are the 4 compressor units sufficient for the number of air handlers they each serve?
- Thermostat consolidation: Possibly limit the number of thermostats to 4; one for each compressor.
- Software update for controls: Is the control panel synched with units properly and is the software up to date?
- Filter Media: Are the filters being used too restrictive for the air handlers?
- Clean Coils: Not sure when or if coils have been cleaned. Need to ensure that a regular maintenance program is in place and being followed.
- Replace exterior refrigerant line insulation and protect as required by section C403.11.3.1 of International Energy Conservation Code.
- Mini-Split units for Server Room?

Representatives from both HTS Texas and HCL Services, LLC were present to answer questions from the Council.

Mayor Bill Pittman asked HCL Services, LLC to explain why a 100-ton chiller would be an option for an approximately 20,000 square foot building. The City has had issues finding a company to repair the current system, and there is a concern that with a Daicon system the same issues with maintenance will occur. HVAC Account Manager Jeremy Sweat with HCL Services, LLC said that the chiller was recommended by the service manager who had received information about the whole current system having issues. However, Mr. Sweat disagreed with the recommendation due to his assessment of the system and believes that replacement of the two condensers on the outside and keeping the same system. The condensers currently have a delayed delivery time that could take months, which will prolong the installation. HVAC Service Technician Travis Colburn, also with HCL Services, LLC,

said that a chiller is an option to eliminate the issues that the Justice Center has been having with the Daicon units, and that there are more technicians that can service a chiller rather than the current system. A chiller will last longer and is much easier to repair. They said that the company will guarantee the quote for 60 days.

Mayor Bill Pittman asked HTS Texas to explain their bid for the assessment and the proposed cost. Service Manager Robert Cook explained that they would have to run a diagnostics test that reads how the system is operating, which could take up to two hours for each condenser (total of 6), two technicians over the course of two days. The cost of the bid is based on the company completing an assessment of the system, without any repairs. Mr. Cook said that if the condensers need to be replaced, they do have them in stock and the replacement could be done promptly. Council asked if the cost from the diagnostic test could be deducted from the total cost of the project, Mr. Cook said that yes, they could do that. Mr. Cook said they could also change the quote to specify "not to exceed," and if they do not use the quoted amount of time then the excess cost would be deducted.

Motion by Councilmember Dickerson, seconded by Councilmember Jannett, to approve an assessment by HTS Texas before awarding replacement of heating, ventilation, and air conditioning (HVAC) equipment at the Santa Fe Justice Center. The motion passed the roll call vote unanimously.

6. Consideration and possible action: Award of Request for Proposal COSFT-RFP2024-02 for the removal of substandard properties located within the City, for a total amount not to exceed \$100,000 and authorizing the Mayor to execute an agreement with each awarded vendor on the behalf of the City

Community Services Director Georgia Carmack explained that \$100,000 was donated by the Santa Fe Economic Development Corporation for the removal of substandard properties. There were two companies that sent bids for each individual property along with the breakdown of the costs. Ms. Carmack provided the Council with a spreadsheet that listed the individual properties and the cost for each property from each vendor. Staff recommended that Council select the lowest bid for each individual property rather than just choosing one company, as some bids were higher than the other. Ms. Carmack explained that by doing so, the City will have remaining funds and not exceed \$100,000. City Manager Alun Thomas noted that there are some items blank on the comparison breakdown spreadsheet that was presented to Council in the packet, however, it is based purely on the language used by each vendor. Building Official Ray Burgess confirmed that both vendors will have anything manmade removed from the properties with the exception of wells, which will be capped. Mr. Burgess also confirmed that both vendors agreed to be awarded work on a per-property basis rather than being awarded all or none of the work.

There was much discussion about the conditions of the properties that had been presented for the removal, the process, the prioritization, and whether it would be cost effective to have the Streets Department assist with the removal of the tires on the properties. Ultimately, Council agreed that all of the work of clearing and cleaning the properties should be performed by the contractors.

Motion by Councilmember Noto, seconded by Councilmember Dickerson, to award Premier Construction the bid to demolish 13903 3rd Street for less than or equal to the quoted cost of \$5,850.00, and the bid to demolish 10728 Derrick Street for less than or equal to the quoted cost of \$9,850.00, for a total bid award of \$15,700.00; and to award Inland Environments, Ltd. the bid to demolish 2610 Avenue L for less than or equal to the quoted cost of \$17,552.00; the bid to demolish 5010 Birch Street for less than or equal to the quoted cost of \$10,630.00; the bid to demolish 4206 Jackson Street for less than or equal to the quoted cost of \$19,630.00; and the bid to demolish 5003 Birch Street for less than or equal to the quoted cost of \$9,925.00, for a total bid award of \$57,737.00. The motion passed the roll call vote unanimously.

7. Consideration and possible action: Approval of a Service Agreement between the City of Santa Fe, Texas, and AdComp Systems, for payment and technology services for Santa Fe Municipal Court, and authorizing the City Manager to execute the agreement on behalf of the City

Finance Director Rudy Zepeda explained that the City's current accounting system only tracks the revenue that is currently booked, however, there is money sitting on the books that has not been received, and if the money is not received within 10 years, then it goes away and is no longer considered collectable. The ability to collect revenue becomes less over the years. The AdComp System is more accessible by offering online payments, payments via phone 24 hours a day, electronic checks (also known as "e-checks"), and an app that can be downloaded in hopes to increase court collections. Currently, an individual must physically go to court to make a payment. Not only can it increase revenue for the City, but it will also alleviate some of the workload of the court staff. There is no cost for the system except for a documentation fee of \$300 a month. Mr. Zepeda said that if three to five extra collections are received a month, then it will offset the cost of the documentation fee.

Jeremy Danesi, a resident of 7609 FM 646 S, Santa Fe, asked if there will be a processing fee for the service that will be borne by the customer, Mr. Zepeda said there is currently a processing fee and that AdComp Services would collect the fees rather than the credit card company. Mrs. Danesi asked if the fee would be applied to an ACH payment and would the fees increase from the current fees, Mr. Zepeda said it is possible the fees will apply to an ACH payment and that the fees should not increase.

Mr. Zepeda said that with the agreement being on an annual basis, at the end of the year, staff could perform a detailed cost analysis to determine if it benefited the City. Council agreed that a yearlong trial would be beneficial so that staff can regulate the cost and receive feedback from the consumers.

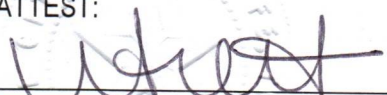
Motion by Councilmember Marks, seconded by Councilmember Noto, to approve a Service Agreement with AdComp Systems, and to authorize the City Manager to execute the agreement on behalf of the City. The motion passed the roll call vote unanimously.

Announcements:

Mayor Bill Pittman announced that the City's annual Easter Egg Hunt will take place on Saturday, March 23, 2024, 10:00 a.m. at Joe Tambrella Park. March 23, 2024, is also Opening Day for Santa Fe Little League, and the Little League parade is on Friday, March 22, 2024, at 7:00 p.m. Santa Fe Park and Recreation Board is planning an End of School Bash Fundraiser in June, to raise funds for developing park facilities. There will be a Santa Fe Business Boost event at City Hall April 9, 2024, at 9:00 a.m. There will be a complimentary breakfast. The Santa Fe Economic Development Corporation will help business owners with marketing to help boost their businesses. Councilmember Brandon Noto announced that tickets are still available for the Santa Fe Education Foundation Gala on March 21, 2024, at the Galveston Convention Center. Ryan McCamy 12151 21 Street, announced that the Riot Wrestling Foundation is having an event Saturday, March 16, 2024, at the Santa Fe Fire and Rescue Station, 7:00 p.m. Terri O'Connell, of 12821 19th Street, said that the Chamber of Commerce's After Hours Mixer will be at The Libation Station at 5:30 p.m. on March 20, 2024. Sunrise Santa Fe will be at Innovate Nutrition March 27, 2024, 7:45 a.m. The Friends of Mae S. Bruce Library are selling raffle tickets for a quilt, the drawing will be on May 16, 2024. Ms. O'Connell let everyone know that the Santa Fe Chamber of Commerce appreciates the City of Santa Fe's staff and Councilmembers for attending so many of its events.

Motion by Councilmember Jannett to adjourn. The motion passed and the meeting adjourned at 8:30 p.m.

ATTEST:



Natalie N. Arnett, City Secretary



BILL PITTMAN, MAYOR