

**CITY OF SANTA FE
REGULAR COUNCIL MEETING
AUGUST 22, 2019 7:00 P.M.
COUNCIL CHAMBERS
12002 HWY. 6, SANTA FE, TEXAS**

MINUTES

The meeting was called to order at 7:04 p.m. by Mayor Jason Tabor.

Roll Call:	Present:	Mayor Jason Tabor Councilmember Corey Jannett Councilmember Jason O'Brien Councilmember Fidencio Leija Councilmember IV Hoke City Manager Joe Dickson City Secretary Janet L. Davis
	Absent:	Mayor Pro-tem Bill Pittman, excused City Attorney Ellis J. Ortego, excused

The invocation was given by City Manager Joe Dickson. The pledge of allegiance to the U. S. Flag and to the Texas Flag was led by Scouts Nicholas Koenig, Lillian Castillo, Jacob Hodge, and Andre Hodge of Cub Scout Pack 628.

Mayor's and City Manager's Report: None

Citizens' Comments: Ms. Rebecca Martinez of 4418 A Bar Dr supports the city acquiring the Runge Park community center and pavilion for community activities.

Planning and Zoning Business: None

City Business (Other):

Old Business:

1. Consideration and possible action: Second and final reading of an ordinance amending Chapter 4, Business Regulations, Code of Ordinances, Section 1, Peddlers, Subsection B (5), Permit Fees, by updating the permit fee; and providing for severability

Community Services Director Diana Steelquist said this is the final reading of a housekeeping item to change the permit fee for a peddler so that it is determined by resolution. Motion by Councilmember O'Brien, seconded by Councilmember Leija to pass the second and final reading of an ordinance amending Chapter 4, Business Regulations, Code of Ordinances, Section 1, Peddlers, Subsection B (5), Permit Fees, by updating the permit fee; and providing for severability. The motion passed the roll call vote unanimously.

New Business:

1. Consideration and possible action: First reading of an ordinance amending Chapter 3, Construction Regulations, Code of Ordinances, Section 6, International Electrical Code, by amending title of reference text, removing revisions provision, allowing aluminum wiring, and providing for penalties and severability
Community Services Director Diana Steelquist said our building official has recommended we amend our electrical code because the current text references the IBC codes but the International Electrical Code is no longer published by the IBC. She said instead the National Fire Prevention Association has establishing regulations for electrical wiring as the National Electrical Code which allows rigid covered aluminum wire. City Manager Joe Dickson said he thinks the aluminum wiring connection, not the covering, may pose a fire hazard, and he suggested we gather more data before allowing the use of aluminum wiring in the city. Motion by Councilmember Leija, seconded by Councilmember O'Brien to table this item. The motion passed the roll call vote unanimously.

2. Consideration and possible action: Adoption of a resolution amending the User Fee schedule for rental of the Thelma Webber Community Center

Community Services Director Diana Steelquist said staff is recommending a slight increase of \$5 in the user fees for rental of the Thelma Webber Community Center after October 1, following renovations to the flooring, the kitchen with stainless steel cabinets and counters, and upgraded chairs. She said we also plan to remodel the men's and women's restrooms next year. Mayor Tabor said the Webber Center is a community benefit so it does not generate enough revenue to cover all the costs, and he further stated that he would prefer to await completion of the bathroom renovations before further increasing the user fees. Motion by Councilmember Hoke, seconded by Councilmember Jannett to adopt the resolution amending the user fee schedule for rental of the Thelma Webber Community Center. The motion passed the roll call vote unanimously.

3. Consideration and possible action: Adoption of a resolution establishing a User Fee schedule for rental of the Runge Park Community Center and Pavilion

Community Services Director Diana Steelquist said the city has entered into an agreement with the County to use the Runge Park community center and pavilion for Santa Fe Strong Resiliency Center programs and for other city events and recreational uses. She said it would be available on the weekends for rental by the public, and staff is proposing a fee schedule similar to the one currently used by the county for the facilities. Ms. Steelquist said the county seniors are still meeting there and renovations will need to take place so we may take possession of the facilities in September. Councilmember Leija said the annual lease cost is \$18,000 with an additional \$9,000 estimated for utility and janitorial expenses. He said the revenue estimated for rental is \$4,000 but that's just a best guess. Mayor Tabor said he feels revenue will be at least comparable to what we receive from the Webber Center which is about \$10,000. Council discussed the possibility of using a portion of the lease fee as the city's VOCA cash match if the match waiver for the new grant application is not approved. Motion by Councilmember O'Brien, seconded by Councilmember Hoke to adopt the resolution establishing a user fee schedule for rental of the Runge Park Community Center and Pavilion. The motion passed the roll call vote unanimously.

4. Consideration and possible action: Adoption of a resolution authorizing creation of an employee benefits trust; designating all members of the City Council to be Trustees of said trust; and authorizing the trust to purchase various forms of insurance for the benefit of city officers, employees, qualified retirees, and their dependents

City Manager Joe Dickson said we are moving away from the Texas Municipal League Health Benefits Pool to United Healthcare, a TDI-regulated firm subject to a 1.75 percent premium tax on health insurance premiums. He said if we establish a benefit trust for payment of the insurance premiums, the city will save the 1.75 percent premium

tax equivalent to about \$6,600 annually. Motion by Councilmember Jannett, seconded by Councilmember O'Brien to adopt the resolution authorizing creation of an employee benefits trust; designating all members of the City Council to be Trustees of said trust; and authorizing the trust to purchase various forms of insurance for the benefit of city officers, employees, qualified retirees, and their dependents. The motion passed the roll call vote unanimously.

5. Consideration and possible action: Selection of an Executive Search Firm for recruitment services for a City Manager and authorizing the Mayor to execute the agreement with such firm

Mayor Tabor said he and his committee received five proposals for executive recruitment services for a City Manager, and the committee has recommended SGR at a maximum fee of \$26,500 for the approximate 15 week process. He said Chris Hartung was another good option at a fee of \$23,000 and includes video interviews of the top candidates. Motion by Councilmember Leija, seconded by Councilmember Jannett to select SGR as the executive search firm for recruitment services for a City Manager and to authorize the Mayor to execute the agreement with SGR. The motion passed the roll call vote unanimously.

6. Consideration and possible action: Discussion of proposed tax rate, vote on proposal to increase total tax revenues from properties on the tax roll in the preceding year, and schedule public hearings, if necessary

City Manager Joe Dickson said this item is not setting the tax rate tonight, but rather to set a maximum rate for discussion, publication, and public hearing purposes. He said the effective tax rate has been calculated at \$0.3154 per \$100 valuation by the Galveston County Tax Office and the current property tax rate of \$0.3262 equates to a 3.43 percent increase in the effective rate. Mr. Dickson said the city's charter caps the increase at a 7.5 percent which would equate to a tax rate of \$0.3391. Councilmember Leija said the 7.5 percent increase means about 2 cents per \$100 valuation or about \$24 annually for a \$100,000 home. He said this would provide about \$155,000 in additional revenue to help offset the addition of a police officer proposed in the budget and provide a competitive salary for the new city manager. Councilmember Leija said we need increased revenue to keep up with the city's growth that has been and will continue to come our way. Councilmember Jannett said it sounds like a small increase but we are not the only taxing entity looking for increased revenue. Mayor Tabor said the property tax revenue generated for the city is about \$2.2M of a total \$5M budget, so that doesn't even fund the police department. He said we have to rely heavily on other sources such as sales tax and permit fees to operate the city. Council felt in order to fund new equipment purchases, increased street improvements, increased employee retirement benefits, resiliency center grant cash match requirements, and an additional police officer, we should keep tax increase options open for discussion and public hearings. This is the last year Council can consider the charter's maximum increase because the legislature has passed property tax reform beginning next year which will limit the increase to about 3.5 percent. Motion by Councilmember Jannett to not exceed the current property tax rate. The motion failed for lack of a second. Motion by Councilmember Leija, seconded by Councilmember Hoke to propose a 7.5 increase in the effective tax rate and to schedule public hearings for September 9 and September 12 at 7 p.m. in the council chambers. The motion passed the roll call vote. Those voting for: Councilmember Leija, Councilmember O'Brien, and Councilmember Hoke. Those voting against: Councilmember Jannett.

Announcements: The General Land Office has begun inspections for HOME applicant funding.

Summary of action from this agenda, request for future agenda items, and scheduling future meetings

Motion by Councilmember Jannett, seconded by Councilmember O'Brien to adjourn. The motion passed and the meeting adjourned at 8:12 p.m.

JASON TABOR, MAYOR

ATTEST:

Janet L. Davis, City Secretary