

**CITY OF SANTA FE  
REGULAR COUNCIL MEETING  
SEPTEMBER 12, 2019 7:00 P.M.  
COUNCIL CHAMBERS  
12002 HWY. 6, SANTA FE, TEXAS**

**MINUTES**

The meeting was called to order at 7:03 p.m. by Mayor Jason Tabor.

Roll Call: Present: Mayor Jason Tabor  
Mayor Pro-tem Bill Pittman  
Councilmember Jason O'Brien  
Councilmember Fidencio Leija  
Councilmember IV Hoke  
City Manager Joe Dickson  
City Secretary Janet L. Davis  
Absent: Councilmember Corey Jannett, 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 members of Cub Scout Pack 628.

**Mayor's and City Manager's Report:**

- a. The minutes of 8/7/19, 8/8/19, 8/13/19, 8/19/19, and 8/22/19 were approved as presented.
- b. Mayor Tabor and City Manager Joe Dickson, along with Ron Williams and board members of the Southeast Texas Housing Finance Corporation, presented a certificate of appreciation, service award, and plaque to Winnie Corsaro for her tenured volunteer service to the city. Council adjourned at 7:12 p.m. for a reception honoring Winnie, and reconvened at 7:26 p.m.

Citizens' Comments: None.

Planning and Zoning Business:

Old Business: None

New Business:

**1. Consideration and possible action: Public Hearing and 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 Agricultural Residential (AR) to Single-Family Residential (R-1) for one tract totaling 9.797 acres located at 3429 Ave. S, City of Santa Fe, Galveston County, Texas**

Councilmember Pittman recused himself from the dais due to a conflict of interest as the developer of this proposed subdivision. Community Services Director Diana Steelquist said this is a request to rezone this 10-acre tract at 3429 Avenue S from AR to R1 for a proposed 36 lot subdivision with no access to Avenue S. She said public water and sewer is available from WCID #8 and the developer plans to use the Texas Department of Transportation's outfall along FM 1764 for disposal of stormwater. Ms. Steelquist said the Planning and Zoning Commission held a public where only the developer spoke and the Commission voted unanimously to recommend the zone change. Mayor Tabor opened the public hearing at 7:30 p.m. Mr. David Unger of 13020 Jane Lane asked about water retention and developer Mark Pittman said the development includes gravity drain, no pumps, and the overflow is planned for FM 1764 to Highland Bayou. Mr. Dennis Fielder of 13021 Jan Lane questioned access to FM 1764 and

Ms. Steelquist said TxDOT will determine access once development plans are submitted for a permit to the state. Mayor Tabor closed the public hearing at 7:37 p.m. Motion by Councilmember O'Brien, seconded by Councilmember Hoke to pass the 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 Agricultural Residential (AR) to Single-Family Residential (R-1) for one tract totaling 9.797 acres located at 3429 Ave. S, City of Santa Fe, Galveston County, Texas. The motion passed the roll call vote unanimously and Councilmember Pittman returned to the dais.

City Business (Other):

Old 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 this item was tabled at the last meeting amid concerns about the use of aluminum wiring. She said the state legislature made sweeping requirements in the building codes and we can no longer deny the use of aluminum wiring; however, we can add the requirement to have it placed in rigid conduit. Ms. Steelquist also recommended we amend our ordinance to adopt the 2011 edition of the National Electrical Code as published by the National Fire Prevention Association because the International Electrical Code is no longer published by the International Code Council. Building Official Marty Haley said existing aluminum may remain unclad for minor remodeling projects but major remodeling projects must be rewired according to the new code. He said there has been no pushback from the local electricians. Motion by Councilmember O'Brien, seconded by Councilmember Leija to pass the 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. The motion passed the roll call vote unanimously.

New Business:

**1. Public Hearing: Second public hearing on proposed tax increase**

Mayor Tabor opened the second public hearing on the proposed tax increase in compliance with state law because Council wanted to be able to discuss an increase up to 7.5 percent, as capped by the city charter, in the effective tax rate of \$0.3154/\$100 valuation. He said next year the tax increase will be maxed at 3 percent as part of the legislature's property tax reform. Mr. David Unger of 13020 asked if the proposed increase was a short-term bandaid or a long-term solution. Councilmember Leija responded that we have been running a deficit in the budget in recent years so this increase would be used to help with city operations, including street improvements and increased police force. Mayor Tabor said he supports expanded sales tax for economic development, homestead exemptions, and investment in employee benefits by increasing the retirement match from 1.5 to 1 to 2 to 1. Councilmember Hoke said we need to take care of employee benefits to reduce employee turnover. Ms. Pam White of Avenue T asked who makes the decision on the tax increase and Council responded that they do after hearing from the citizens. Ms. Staci Taylor of 4405 Avenue J said some residents also have WCID 8 taxes making the total tax rate for Santa Fe citizens one of the highest rates in the county with less amenities than other cities in the county. Mayor Tabor closed the public hearing at 8:10 p.m. and council scheduled September 19, 2019, at 7 p.m. to adopt the budget and set the tax rate.

## **2. Public Hearing: Proposed 2019/20 general fund operating budget**

City Manager Joe Dickson said the 2019/20 general fund operating budget is in the amount of \$5,834,691, with \$161,070 appropriated fund balance used to balance the budget and \$1,928,528 as the projected unappropriated fund balance at year end. He said the property tax rate used to fund the budget is the same as last year at \$0.3262 with \$0.0381 of that to fund the debt service, and funds beyond December, 2019, for operation of the resiliency center have not been included as the grant application has yet to be approved. Mayor Tabor opened the public hearing at 8:18 p.m. Ms. Rebecca Wright of 4410 Ave. R said one of the reasons mentioned for the proposed tax increase was for increased street improvements but that budget was not increased in the proposed document. She also said she did not realize through budget workshops that the goal was to reduce the deficit by increasing property taxes, and she asked if Runge Park was a lease or lease purchase and if that was the reason the park department budget significantly increased. Ms. Wright said she feels that if the city takes the park, then city residents are paying for it twice since we are already paying the county for operation and maintenance of the park. Mayor Tabor said that parks has been identified as a top priority among community members and Council and he feels we should preserve the heritage of Runge Park. Councilmember Leija was concerned about the utility cost and janitorial services cost, in addition to the lease fee, to operate Runge Park, but Mayor Tabor said our projected costs should be much lower once the county performs scheduled renovations including a new HVAC system. Mayor Tabor also said we can terminate the lease at any time if we feel it is not beneficial. Councilmember Leija and Councilmember Hoke said they are proposing to make Santa Fe the most veteran-friendly city so \$2,500 has been earmarked in park special projects specifically for veterans' programs. Mayor Tabor said there is also \$25,000 budgeted in special projects for the utility extension for the self-annex Tower Rd Estates, so the city will issue permits, receive development fees, and get the appraised value on the tax rolls and we would contribute \$25,000 for a set number of homes constructed, up to a total of \$100,000. City Manager Joe Dickson said continued VOCA grant funding will likely be used only for programs at Runge Park, rather than mental health services, which will lower our match requirement, and the Gulf Coast Center would provide counseling services through their own VOCA grant. Mayor Tabor closed the public hearing at 8:54 p.m. and council scheduled September 19, 2019, at 7 p.m. to adopt the budget.

## **3. Consideration and possible action: Appointment of members to serve as Alternates 1 and 2 on the Zoning Board of Adjustment to fill the vacant, unexpired terms through July, 2021, and July, 2020, respectively**

Community Services Director Diana Steelquist said there are two vacancies on the Board of Adjustment and both are alternate member positions. She said Raymond Gass and Blu Baillio have both submitted applications to serve on the board. Motion by Councilmember Pittman, seconded by Councilmember O'Brien to appoint Raymond Gass as Alternate 1 on the Zoning Board of Adjustment to fill the vacant, unexpired term through July, 2021, and to appoint Blu Baillio as Alternate 2 on the Zoning Board of Adjustment to fill the vacant, unexpired term through July, 2020. The motion passed the roll call vote unanimously.

## **4. Consideration and possible action: Adoption of a resolution initiating annexation proceedings for Tower Road and Tower Road Estates**

Community Services Director Diana Steelquist said the Tower Road Estates subdivision developer has requested annexation by the city, but Tower Road separates the city from that subdivision. She said the county has authorized the city to annex that portion of Tower Road in order to be able to annex the subdivision. This resolution initiates annexation proceedings for Tower Road and Tower Road Estates 60-lot subdivision to be zoned R1. Motion by Councilmember Pittman, seconded by Councilmember O'Brien to adopt the resolution initiating annexation proceedings for Tower Road and Tower Road Estates. The motion passed the roll call vote unanimously.

**5. Consideration and possible action: Authorizing Mayor to execute Interlocal Agreement with the City of Hitchcock for a joint drainage project along Jay Road between Ave. B and Blimp Base Road**

City Manager Joe Dickson said the City of Hitchcock has requested assistance with a drainage project in the Jay Road / Morningview area. He said they will purchase the culverts, we would set the culverts, and they will then continue to maintain the ditches in the area. Street Superintendent Billy Creppon said this project will take about one week to perform the work but the project is mutually beneficial to both communities. Motion by Councilmember O'Brien, seconded by Councilmember Leija to authorize the Mayor to execute the Interlocal Agreement with the City of Hitchcock for a joint drainage project along Jay Road between Ave. B and Blimp Base Road. The motion passed the roll call vote unanimously.

**6. Consideration and possible action: Adoption of a resolution authorizing representation in IRS matter concerning 2016 and 2017 IRS forms 1094-C and 1095-C filings and ratifying execution of Form 2848, IRS Power of Attorney**

City Manager Joe Dickson said TMLHB, our employee medical insurance provider, filed IRS forms late and the IRS in notifying entities about potential penalties for late filings. He said TML has hired a law firm, at their expense, to represent the entities in this matter but they need an execute power of attorney to authorize this representation. Motion by Councilmember O'Brien, seconded by Councilmember Hoke to adopt the resolution authorizing representation in IRS matter concerning 2016 and 2017 IRS forms 1094-C and 1095-C filings and ratifying execution of Form 2848, IRS Power of Attorney. The motion passed the roll call vote unanimously.

**7. Consideration and possible action: Adoption of a resolution nominating candidates to serve on the Galveston Central Appraisal District Board Directors for a two-year term beginning January 1, 2020**

City Manager Joe Dickson said each entity can nominate up to five candidates to serve on the appraisal district board. He said we have 17 votes and it takes between 700 and 1,000 votes for a candidate to be elected. Councilmember Pittman said the cities should group together and lobby the state for more representation on the board as the school districts have substantially more voting power so rural areas are underrepresented. Councilmember Hoke said he is interested in serving on this board, and Chad Tressler of League City is requesting our support. Mayor Tabor suggested we table action on this at this time since it is not due until October 15, 2019. Motion by Councilmember Leija, seconded by Councilmember Pittman to table action on this resolution at this time. The motion passed the roll call vote unanimously.

**8. Consideration and possible action: Authorizing Mayor to execute the Administrative Services Agreement between the City and the Santa Fe Economic Development Corporation for the fiscal year ending September 30, 2020**

City Manager Joe Dickson said this administrative services agreement between the City and the Economic Development Corporation is the same as in years past, including the fee in the amount of \$15,000. Motion by Councilmember Leija, seconded by Councilmember Pittman to authorize the Mayor to execute the Administrative Services Agreement between the City and the Santa Fe Economic Development Corporation for the fiscal year ending September 30, 2020. The motion passed the roll call vote unanimously.

**9. Consideration and possible action: Authorizing staff to seek Requests for Qualifications for City Attorney municipal legal services**

City Manager Joe Dickson said Ellis Ortego, our City Attorney for many, many years, has been diagnosed with cancer so he is unable to continue as city attorney and municipal court prosecutor. This item is to authorize staff to see proposals for legal services. Motion by Councilmember Pittman, seconded by Councilmember O'Brien to authorize staff to seek Requests for Qualifications for City Attorney municipal legal services. The motion passed the roll call vote unanimously.

**10. Consideration and possible action: Authorizing staff to seek bids for diesel fuel and street materials**  
City Manager Joe Dickson said we need to seek bids for street materials and diesel fuel for the upcoming fiscal year. Motion by Councilmember Leija, seconded by Councilmember Hoke to authorize staff to seek bids for diesel fuel and street materials. The motion passed the roll call vote unanimously.

Announcements: Heritage Festival and Veterans' parade scheduled for Saturday, November 9; upcoming community potluck on September 22; and tire recycling event at the West County Building on October 24.

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

Motion by Councilmember Pittman, seconded by Councilmember O'Brien to adjourn. The motion passed and the meeting adjourned at 9:20 p.m.

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JASON TABOR, MAYOR

ATTEST:

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Janet L. Davis, City Secretary