

**CITY OF SANTA FE
REGULAR COUNCIL MEETING
SEPTEMBER 10, 2020 7:00 P.M.
COUNCIL CHAMBERS
12002 HWY. 6, SANTA FE, TEXAS**

MINUTES

The meeting was called to order at 7:06 p.m. by Mayor Jason Tabor.

Roll Call: Present: Mayor Jason Tabor
Mayor Pro-tem Bill Pittman
Councilmember Fidencio Leija
Councilmember IV Hoke
Councilmember Jason O'Brien
Absent: Councilmember Corey Jannett, excused

The invocation was given by Pastor Lucas Campbell of the Santa Fe Baptist Church. The pledge of allegiance to the U. S. Flag and to the Texas Flag was led by Mayor Tabor.

Mayor's and City Manager's Report:

- a. The minutes of 8/13/20 and 8/27/20 were approved as presented.
- b. City Secretary Janet L. Davis presented the June 30, 2020, quarterly investment report in the amount of \$3.3M and reported that maturing CDs are being moved to a money market account at the local bank for yield and liquidity.
- c. 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
 - 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
 - 7) Street – drainage projects, street maintenance and improvement activities, equipment maintenance
- d. Police Detective Pean was nominated for Officer of the Year.

Citizens' Comments: None

Planning and Zoning Business: None

City Business (Other):

Old Business:

1. Consideration and possible action: Authorizing replacement of culverts and driveway at 4200 Ave. J, Santa Fe, Texas, at a city expense of \$10,700

City Manager Glen Adams said this item pertains to a drainage issue in the area of Avenue J caused by culverts that were installed at 4200 Avenue J a few years ago. Street Superintendent Billy Creppon said the homeowner's engineer said he did not engineer the area prior to producing the drainage plan for the development. Mr. Creppon recommended leaving the existing 24" culverts in place because the upstream and downstream culverts are both 24". Mr. Sam Noto, owner of the residence which is the subject of this discussion, said the adjacent property has

historically flooded but the swell between them was improved when the new home was constructed. Councilmember Pittman stated that we do not know if double culverts would solve the drainage issue since the ditch was not engineered when the house was built. Motion by Councilmember Pittman, seconded by Councilmember O'Brien to leave the culverts and driveway at 4200 Avenue J, Santa Fe, Texas, as it is currently. The motion passed the roll call vote unanimously.

2. Consideration and possible action: First and final reading of an ordinance amending the budget for the fiscal year beginning October 1, 2019

City Manager Glen Adams said these end-of year general fund budget adjustments recognize additional revenue and reallocate expenditures anticipated at year end, resulting in a net effect on the budget of an additional \$4,400. Motion by Councilmember Pittman, seconded by Councilmember Leija to pass the first and final reading of an ordinance amending the budget for the fiscal year beginning October 1, 2019. The motion passed the roll call vote unanimously.

New Business:

1. Presentation by John White regarding Tres Rios TIRZ/MUD/PUD development in ETJ

Prior to the meeting, Mr. White requested that his Tres Rios proposed development presentation be postponed until the next meeting.

2. Public Hearing: Proposed tax increase

City Manager Glen Adams said the summer budget workshop discussions resulted in a general fund deficit of \$173,000 so a tax increase of 3.5 percent was considered to generate about \$55,000 to help offset the proposed expenditures for next year. He said next year we will need ten new police vehicles, a lifecycle replacement plan, and engineering for drainage, so we need to plan for future expenses on the horizon. Mayor Tabor opened the public hearing at 7:49 p.m. Ms. Pam Schwertner of 4322 Jensen said she had reservations about the 3.5 percent increase since we were so aggressive in asking the Governor to freeze our property values in light of the economic effects of the COVID pandemic. She questioned the Santa Fe Economic Development Corporation's participation with road and drainage projects, and she said we need to take care of our people here first and foremost rather than supporting outside agencies like College of the Mainland. Mr. Adams explained the Santa Fe Economic Development Corporation's agreement to help with two specific projects in the upcoming fiscal year to improve drainage in our community. Mayor Tabor closed the public hearing at 8:04 p.m.

3. Public Hearing: Proposed 2020/21 general fund operating budget

City Manager Glen Adams reviewed some of the specific items included in the proposed 2020/21 general fund operating budget, such as police training funds, a new building inspector position, increased retirement match, therapeutic garden improvements, air conditioner upgrades, and the College of the Mainland Promise Program. Mayor Tabor opened the public hearing at 8:10 p.m., and with no comments, the public hearing was closed at 8:11 p.m.

4. Consideration and possible action: First and final reading of an ordinance adopting the debt service fund budget for the fiscal year beginning October 1, 2020

City Secretary Janet L. Davis said the debt service fund budget is comprised solely of tax revenue and expenditures to fund semi-annual payments for the bonds that financed construction of the justice center in 2013. She said these

payments will continue to be made semi-annually through March 1, 2033. Motion by Councilmember O'Brien, seconded by Councilmember Leija to pass the first and final reading of an ordinance adopting the debt service fund budget for the fiscal year beginning October 1, 2020. The motion passed the roll call vote unanimously.

5. Consideration and possible action: First and final reading of an ordinance adopting the general fund operating budget for the fiscal year beginning October 1, 2020

City Manager Glen Adams recommended adoption of the 2020/21 general fund operating budget which is a result of many discussions and workshops over the summer. Councilmember O'Brien asked staff to provide a subsequent report of activities of the new building inspector once one is hired so Council can evaluate the performance vs. the costs. Motion by Councilmember Hoke, seconded by Councilmember Leija to pass the first and final reading of an ordinance adopting the general fund operating budget for the fiscal year beginning October 1, 2020. The motion passed the roll call vote unanimously.

6. Consideration and possible action: First and final reading of an ordinance establishing the ad valorem tax rate; date when ad valorem taxes become delinquent; rate as of assessment; providing for certain exemptions; penalty and interest for delinquent taxes and savings clause

City Manager Glen Adams said we have a need to increase the tax rate to pay for expenses this year and move towards supporting the city's infrastructure needs. Councilmember Pittman said we have consistently strived to maintain a healthy fund balance and encouraged the community to buy local. He said he does not support a tax increase when we still have a healthy fund balance even though we are dipping into our "savings" to balance the upcoming budget and when many of our constituents are still suffering from economic hardships caused by the COVID pandemic. Councilmember Pittman said we grow this city through development, good schools, and low taxes, not by raising taxes. Councilmember Leija said this tax increase will help offset the increased retirement match, which is a recurring expense each and every year, among other things we need to plan for in the very near future, specifically a comprehensive plan and a new police fleet. Councilmember Hoke said the increased retirement match should have been done years ago and now we need funds to play catch up, along with funding street and drainage projects. Councilmember Leija said we are ranked #9 in property tax rates among cities in the county and this increase will still keep the city at one of the lowest rates in the county. Motion by Councilmember Leija, seconded by Councilmember Hoke to pass the first and final reading of an ordinance establishing the ad valorem tax rate at \$0.301455, a 3.5 percent increase to the no new revenue rate. The motion failed the roll call vote. Those voting for: Councilmember Hoke and Councilmember Leija. Those voting against: Councilmember Pittman, Councilmember O'Brien, and Mayor Tabor. Motion by Councilmember Pittman, seconded by Councilmember O'Brien to pass the first and final reading of an ordinance establishing the ad valorem tax rate at \$0.294043, the no new revenue rate; date when ad valorem taxes become delinquent; rate as of assessment; providing for certain exemptions; penalty and interest for delinquent taxes and savings clause. The motion passed the roll call vote. Those voting for: Councilmember Pittman, Councilmember O'Brien, and Mayor Tabor. Those voting against: Councilmember Hoke and Councilmember Leija.

7. Consideration and possible action: Ratifying property tax revenue increase reflected in the 2020/21 general fund operating budget

This agenda item was not necessary since the property tax rate was not increased.

8. Consideration and possible action: Discussion of proposed draft of Communications Plan

City Manager Glen Adams said the vision language has been changed slightly but the draft communications plan still needs review and input from Council. Mayor Tabor requested we incorporate structure and language about the city's preferred method of addressing public information output.

9. Consideration and possible action: Discussion of proposed revisions to the development permit fee schedule

City Manager Glen Adams said staff has reviewed the city's permit fee structure and has recommended some fee changes. Councilmember Pittman asked staff to provide permit fee information for all surrounding cities rather than hand picking specific city information for comparison purposes. Motion by Councilmember Pittman, seconded by Councilmember Leija to table action on the item and request staff obtain data from every city in Galveston County for every permit category and prepare a matrix of the data for Council review. The motion passed the roll call vote unanimously.

10. Consideration and possible action: Adoption of a resolution approving the Santa Fe Economic Development Corporation budget amendment for the year ending September 30, 2020

Director of Administrative Services Stacey Baker said this amendment is to move funds from one line item to another for webmail hosting service expenses. Motion by Councilmember O'Brien, seconded by Councilmember Hoke to adopt the resolution approving the Santa Fe Economic Development Corporation budget amendment for the year ending September 30, 2020. The motion passed the roll call vote unanimously.

11. Consideration and possible action: Approval and authorization of the Santa Fe Economic Development Corporation's (SFEDC) "Excavator Contribution Project" for payment of one-half of the City of Santa Fe's first year lease purchase payment on the acquisition of the new excavator for drainage projects

Director of Administrative Services Stacey Baker said this SFEDC project is for the contribution of one-half of the first-year payment on the city's new excavator. Motion by Councilmember O'Brien, seconded by Councilmember Leija to approve and authorize the Santa Fe Economic Development Corporation's "Excavator Contribution Project" for payment of one-half of the City of Santa Fe's first year lease purchase payment on the acquisition of the new excavator for drainage projects. The motion passed the roll call vote unanimously.

12. Consideration and possible action: Appointment of members to serve on the Library Advisory Board to fill vacant, unexpired terms through July, 2021

There was no action taken on the item as staff has received no applications for service on the Library Advisory Board.

13. Consideration and possible action: Appointment of members to serve on the Planning and Zoning Commission to fill vacant, unexpired terms through May, 2022

Community Services Director Diana Steelquist said the term of three members have expired and all three would like to continue to serve. She said there are also two vacant positions and we have received one new application from Mr. Dana Marks for service on this board. Motion by Councilmember Leija, seconded by Councilmember Pittman to reappoint Gary Smith, Ron Willoughby, and Glennie Heffner to the Planning and Zoning Commission for a three-year term to expire May, 2023, and to appoint Dana Marks to fill a vacant, unexpired term on the Planning and Zoning Commission through May, 2022. The motion passed the roll call vote unanimously.

14. Consideration and possible action: Appointment/reappointment of members to serve on the Board of Adjustment for a two-year term to expire July, 2022

Community Services Director Diana Steelquist the Board of Adjustment has two vacant positions and the term of Beverly Pruitt expired in July, 2020. She recommended reappointing Ms. Pruitt for another two-year term to expire July, 2022, moving Tommy Gass from Alternate 1 to Position 1 for a term to expire July, 2022, and appointing new applicant Craig Thornton-Wright as Alternate 1 for a term to expire July, 2021. Motion by Councilmember Pittman, seconded by Councilmember Hoke to reappoint Beverly Pruitt to the Board of Adjustment for a two-year term to expire July, 2022, to move Tommy Gass from Alternate 2 to Position 1 on the Board of Adjustment for a two-year term to expire July, 2022, and to appoint Craig Thornton-Wright to fill the unexpired Alternate 1 position on the Board of Adjustment through July, 2021. The motion passed the roll call vote unanimously.

15. Consideration and possible action: Appointment of a members to serve on the Park and Recreation Board to fill vacant, unexpired terms through February, 2021 and February, 2022

Community Services Director Diana Steelquist said there are two vacant positions on the Park Board and we have received two applications for service on this board. Motion by Councilmember Hoke, seconded by Councilmember O'Brien to appoint Miranda Shaffer to the Park Board to fill the vacant, unexpired term through February, 2021, and to appoint Mike Winburn to the Park Board to fill the vacant, unexpired term through February, 2022. The motion passed the roll call vote unanimously.

16. Consideration and possible action: Adoption of PID policy

City Manager Glen Adams said our legal counsel has recommended we send our draft Public Improvement District policy to a third party for further development and recommendations, but we have not received that document back yet.

17. Discussion: Historical home property tax exemption

Councilmember Hoke said he would like the city to consider granting a tax exemption for homes designated as a historical landmark.

Announcements: None

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

Mayor Pro-tem Bill Pittman requested that councilmembers be more specific with personal comments ensuring they are not speaking on behalf of the entire Council. He also commented on the OSB boards that were given out prior to the impending hurricane and asked if the materials were given to citizens of the community and if they acknowledged that the materials were not windstorm compliant and the city provided no hardware for installation.

Motion by Councilmember O'Brien, seconded by Councilmember Hoke to adjourn. The motion passed and the meeting adjourned at 9:10 p.m.

ATTEST:

JASON TABOR, MAYOR

Janet L. Davis, City Secretary