

**CITY OF SANTA FE
REGULAR COUNCIL MEETING
JULY 8, 2010 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 Ralph Stenzel.

Roll Call: Present: Mayor Ralph Stenzel
Mayor Pro-tem Joe Carothers
Councilmember Jeff Tambrella
Councilmember Bubba Jannett
Councilmember Jim Abney
Councilmember Pat McCrary
City Attorney Ellis J. Orgego
City Manager Joe Dickson
City Secretary Janet L. Davis

The invocation was given by and the pledge of allegiance to the U. S. Flag and to the Texas Flag was led by City Manager Joe Dickson.

Reports:

- a. The minutes of 5/13/10 and 5/27/10 were approved as presented;
- b. Mr. John Cambiano of Cambiano & Cambiano, CPSs, presented the annual financial report for the year ending 9/30/09, with an unqualified, clean opinion, highlighting the general fund revenues, expenditures, and fund balance; and
- c. City Manager Joe Dickson presented the proposed budget for 2010/11 in accordance with the city charter.

Planning and Zoning Business:

Old Business: None

New Business:

1. **Consideration and possible action:** Public hearing and First reading of an ordinance amending Ordinance No. 02-03, commonly known as the 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 District (R-1) to Highway Commercial District (HC) for two tracts totaling 3.082 acres located at 13210 and 13110 FM 1764 described as Abstract 1 M Austin Survey, Part of Lots 223 and 224 (223-6) and Abstract 1 Page 10 Part of Lot 224 (224-2), Thamans 2nd Subdivision, City of Santa Fe, Galveston County, Texas

Community Services Director Diana Steelquist said this is a staff-initiated zoning change from R1 to HC for the 2 remaining lots in this area of FM 1764. She said the Planning and Zoning Commission has reviewed the request and recommends approval. Mayor Stenzel opened the public hearing at 7:23 p.m. Mr. Dennis Felder of Jan Lane, behind the properties proposed to be rezoned commercial, expressed his concern about what development would be allowed in this commercial zone which is basically in his back yard, and he asked that the city ensure that the neighbors' rights are protected. Mayor Stenzel referred him to Ms. Steelquist who could provide a list of uses allowed in an HC zone. There were no other comments. Motion by Councilmember Carothers, seconded by Councilmember McCrary to pass the first reading of an ordinance amending Ordinance No. 02-03, commonly known as the 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 District (R-1) to Highway Commercial District (HC) for two tracts totaling 3.082 acres located at 13210 and 13110 FM 1764 described as Abstract 1 M Austin Survey, Part of Lots 223 and 224 (223-6) and Abstract 1 Page 10 Part of Lot 224 (224-2), Thamans 2nd Subdivision, City of Santa Fe, Galveston County, Texas. The motion passed the roll call vote unanimously.

2. Consideration and possible action: Public hearing and First reading of an ordinance amending the text of Ordinance No. 02-03, commonly known as the City of Santa Fe Unified Development Code, or the Santa Fe Zoning Ordinance, 2002 Edition, amending Appendix 4-F, Zoning Matrix, by allowing NAICS use #454390, Open Air Market Use, in a Highway Commercial (HC) Zoning District; providing for penalties; providing for severability

Community Services Director Diana Steelquist said Mr. Jack Williams who owns a business at 1111 FM 646 N has requested to have a farmer's market on the weekends at this location. The property is zoned highway commercial and our matrix allows open air markets in the light manufacturing zone. The Planning and Zoning Commission has recommended a change in the matrix to allow that type of use in the highway commercial district as a conditional use permit. Council questioned the parking conditions and whether this is a temporary use since it is just planned for the weekends. Mayor Stenzel opened the public hearing at 7:36 p.m., but there were no comments from the public. Motion by Councilmember Jannett, seconded by Councilmember Tambrella to pass the first reading of an ordinance amending the text of Ordinance No. 02-03, commonly known as the City of Santa Fe Unified Development Code, or the Santa Fe Zoning Ordinance, 2002 Edition, amending Appendix 4-F, Zoning Matrix, by allowing NAICS use #454390, Open Air Market Use, in a Highway Commercial (HC) Zoning District; providing for penalties; providing for severability, with the request for more information, specifically what types of structures are proposed and what controls we have, prior to the second reading. The motion passed the roll call vote unanimously.

City Business (Other):

Old Business: None

New Business:

1. Consideration and possible action: Adoption of a resolution approving the Santa Fe Economic Development Corporation budget amendment for the fiscal year beginning October 1, 2009

Director of Administrative Services Pamela Wood said this resolution would amend the SFEDC budget to allocate funds for additional project costs and to reallocate the note principal and interest payments to reflect the payoff amounts. Motion by Councilmember Carothers, seconded by Councilmember Abney to adopt the resolution approving the Santa Fe Economic Development Corporation budget amendment for the fiscal year beginning October 1, 2009. The motion passed the roll call vote unanimously.

2. Consideration and possible action: Awarding bid and authorizing Mayor to execute TDRA CDBG Disaster Recovery Non-Entitlement Grant Program Contract No. DRS010168 for contractor services for a ground storage tank at 12146 – 15th Street

City Manager Joe Dickson said this is part of the first phase of funding of the CDBG disaster recovery grant, and this project for the ground storage tank is the first of four planned projects. Mr. John Mercer, the city's engineering consultant for the grant, recommended awarding the contract for this project to Precision 2000, the lowest bidder, with a bid of \$96,861. Mr. Mercer said this company is fairly new to Texas, but references who have previously done business with the company spoke highly of their work. Motion by Councilmember Jannett, seconded by Councilmember Carothers to award the bid to Precision 2000 and to authorize the Mayor to execute the TDRA CDBG Disaster Recovery Non-Entitlement Grant Program Contract No. DRS010168 for contractor services for a ground storage tank at 12146 – 15th Street. The motion passed the roll call vote unanimously.

3. Consideration and possible action: Adoption of a resolution affirming full membership into the Galveston County-Wide Urban-Rural Transit District and nominating an elected member to serve on the district's governing board

Mayor Stenzel said the county is creating and organizing this transit district, and he is recommending that the city participate in the program. Motion by Councilmember Abney, seconded by Councilmember Tambrella to adopt the resolution affirming full membership into the Galveston County-Wide Urban-Rural Transit District and nominating Mayor Stenzel as the city's elected member to serve on the district's governing board. The motion passed the roll call vote unanimously.

4. Consideration and possible action: Adoption of a resolution suspending the August 6, 2010, 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 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; 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 Joe Dickson said CenterPoint Energy Houston Electric is seeking to increase rates by 16 percent, which equates to about \$6.25 per month for each residential customer. CenterPoint is encouraging cities to deny the rate change request so they can appeal to the PUC to adjust the rates. The Gulf Coast Coalition of Cities is recommending suspension of the effective date of the rate change request to allow time to review the request and determine a course of action. Motion by Councilmember

Tambrella, seconded by Councilmember McCrary to adopt the resolution suspending the August 6, 2010, 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 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; 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. The motion passed the roll call vote unanimously.

5. Consideration and possible action: Ratifying execution of the Grant Award Notice for the Energy Efficiency and Conservation Block Grant for reimbursement of energy efficient projects at city hall

City Manager Joe Dickson said this action is to ratify the Mayor's execution of this grant award notice to install more energy efficient lighting throughout city hall. There is no match requirement. Motion by Councilmember Abney, seconded by Councilmember Carothers to ratify execution of the Grant Award Notice for the Energy Efficiency and Conservation Block Grant for reimbursement of energy efficient projects at city hall. The motion passed the roll call vote. Those voting for: Councilmember Carothers, Councilmember McCrary, Councilmember Tambrella, and Councilmember Abney. Those voting against: Councilmember Jannett

6. Consideration and possible action: Adoption of a resolution reviewing and approving the Code of Conduct

City Manager Joe Dickson said Council adopted this Code of Conduct in 2005 and has reviewed it annually since then. Staff is not proposing any changes. Motion by Councilmember McCrary, seconded by Councilmember Tambrella to adopt the resolution reviewing and approving the Code of Conduct. The motion passed the roll call vote unanimously.

7. Consideration and possible action: Adoption of a resolution adopting certain property tax exemptions pursuant to Section 11.13 and Section 11.261 of the Texas Property Tax Code

City Manager Joe Dickson said this resolution will continue the property tax exemptions and the tax freeze for those that are disabled or 65 years of age and older. Motion by Councilmember Jannett, seconded by Councilmember Carothers to adopt the resolution adopting certain property tax exemptions pursuant to Section 11.13 and Section 11.261 of the Texas Property Tax Code. The motion passed the roll call vote unanimously.

8. Consideration and possible action: First and final reading of an ordinance amending the budget for the fiscal year beginning October 1, 2009

City Manager Joe Dickson reviewed the proposed amendments, consisting primarily of decreased sales tax and court fine revenue in addition to an increase in expenditures for the purchase of the land. Additionally, there were expenses for the architect to design the proposed police facility and work up a tax rate along with expenses for two special bond elections. Other increases in expenditures include the installation of roof pumps at city hall and increased insurance costs. Motion by Councilmember McCrary, seconded by Councilmember Abney to pass the first and final reading of an ordinance amending the budget for the fiscal year beginning October 1, 2009. The motion passed the roll call vote unanimously.

Announcements: SnoHut's 25th anniversary celebration beginning this weekend.

Summary of action from this agenda, request for future agenda items, and scheduling future meetings
Budget workshop dates were tentatively set for July 29, August 5, and August 24 at 6:30 p.m.

Motion by Councilmember Jannett, seconded by Councilmember McCrary to adjourn. The motion passed and the meeting adjourned at 8:05 p.m.

RALPH STENZEL, MAYOR

ATTEST:

Janet L. Davis, City Secretary