

**CITY OF SANTA FE
REGULAR COUNCIL MEETING
MAY 23, 2013 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 Pat McCrary
 Councilmember Jeff Tambrella, arrived at 7:09 p.m.
 Councilmember Wanda Wagner
 Councilmember Bubba Jannett
 Councilmember Joe Carothers
 City Attorney Ellis J. Ortego
 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.

Mayor's and City Manager's Report:

- a. The minutes of 4/11/13, 4/25/13, and 5/16/13 were approved as presented;
- b. Mayor Stenzel presented a proclamation for Motorcycle Safety Awareness Month for May to the Bay Area V-Twins Motorcycle Riders Club of Galveston County; and
- c. City Manager Joe Dickson presented the investment report and financial statement for the quarter ending 3/31/13, summarizing investments totaling \$1,955,288, comprised of CDs and money market and investment pool accounts.

Planning and Zoning Business: None

City Business (Other):

Old Business: None

New Business:

1. Presentation of Schedule of Events for bond project, by John Robuck, Investment Banker, Texas Public Finance, BOSC, Inc.

City Manager Joe Dickson introduced John Robuck, Texas Public Finance Investment Banker with BOSC, Inc., who presented a tentative Schedule of Events for the General Obligation Bonds, Series 2013, Justice Center project. Mr. Robuck said his presentation is based on a public sale rather than a private placement because banks usually want a maximum maturity of 12 to 15 years and our bond is for 20 years. He said the city does not currently have a fund balance for the debt service fund so a portion of the bond proceeds will be used as capitalized interest. The estimated tax rate for the first year to pay the principal and interest

Minutes (cont.)

payments for the 20-year, \$3,550,000 bond issue, is approximately 5.5 cents (\$0.0505) per \$100 valuation. Mr. Robuck said he will be working on a Preliminary Official Statement (POS), a 60 to 70 page document about the city, throughout the month of June. Rating agency calls are scheduled for the last week of June and we are hoping for at least an A rating for our first issue. We will use an underwriter to sell the bonds and the bond sale is tentatively scheduled for Council approval at the first regular Council meeting in July. The bond closing is schedule for mid August and the first semi-annual payment would be due March 1, 2014.

2. Consideration and possible action: Approval of Revision 1, Texas Community Development Block Grant Disaster Recovery Program, GLO Contract No. 13-078-000-7101, Round 2.2, Non-Housing Grant, by reducing the maximum size of the cured in place pipe and by revising the quantities of line segments

Director of Administrative Services Pam Wood said the Texas General Land Office awarded disaster recovery funds to the city and Council approved the Round 2.2 Contract in November, 2012. She said this first revision will correct two street names, change the maximum size of cured in place pipe, and revise the quantities of line on each segment exactly to specification. Motion by Councilmember Jannett, seconded by Councilmember Carothers to approve Revision 1, Texas Community Development Block Grant Disaster Recovery Program, GLO Contract No. 13-078-000-7101, Round 2.2, Non-Housing Grant, by reducing the maximum size of the cured in place pipe and by revising the quantities of line segments. The motion passed the roll call vote unanimously.

3. Consideration and possible action: Approval of Revision 2, Texas Community Development Block Grant Disaster Recovery Program, GLO Contract No. 13-078-000-7101, Round 2.2, Non Housing Grant, by revising the performance statement, updating the project implementation schedule, and decreasing the budget for sewer facilities due to additional permitting costs

Director of Administrative Services Pam Wood said this second revision to the Round 2.2 Contract for disaster recovery funds will revise the performance statement to change the line segments, revise the budget to transfer funds from sewer facilities to environmental due to additional permitting costs, and revise the implementation schedule to allow for additional time for completion of the environmental assessment. Motion by Councilmember Carothers, seconded by Councilmember Wagner to approve Revision 2, Texas Community Development Block Grant Disaster Recovery Program, GLO Contract No. 13-078-000-7101, Round 2.2, Non Housing Grant, by revising the performance statement, updating the project implementation schedule, and decreasing the budget for sewer facilities due to additional permitting costs. The motion passed the roll call vote unanimously.

4. Consideration and possible action: Approval of Change Order One for sewer rehabilitation services funded by TDRA CDBG Disaster Recovery Non-Entitlement Grant Program Contract No. DRS010168, by revising the original contract to "as built" quantities and by adding new work items

Director of Administrative Services Pam Wood said this change order will revise the original contract to "as built" quantities and authorize additional work items within the environmental assessment since the actual cost of the sewer rehab project came in less than the bid amount. Motion by Councilmember Carothers, seconded by Councilmember McCrary to approve Change Order One for sewer rehabilitation services funded by TDRA CDBG Disaster Recovery Non-Entitlement Grant Program Contract No. DRS010168, by revising the original contract to "as built" quantities and by adding new work items. The motion passed the roll call vote unanimously.

5. Consideration and possible action: Appointment/reappointment of member to serve on the Police Officer's Civil Service Commission for a three-year term to expire June, 2016

Director of Administrative Services and Civil Service Director Pam Wood said Mr. Bill Reitmeyer's term on the Civil Service Commission expires on June 26, 2013. He has agreed to serve another term if reappointed by Council. Motion by Councilmember Carothers, seconded by Councilmember Wagner to reappointment Bill Reitmeyer as a member to serve on the Police Officer's Civil Service Commission for a three-year term to expire June, 2016. The motion passed the roll call vote unanimously.

6. Consideration and possible action: Appointment/reappointment of members to serve on the City of Santa Fe Section 4B Economic Development Corporation Board of Directors for a two-year term to expire June 14, 2015

City Manager Joe Dickson said the Economic Development Corporation Board of Directors does not have staggered two-year terms. Six of the members have agreed to serve another term, but Rosie Morales is moving out of the city so she will no longer be eligible to serve on the board. He said Paul Shelley, a former City Manager and Police Chief of a neighboring community, has submitted an application to serve on the board and he has lived in the city since 2000. Motion by Councilmember Tambrella, seconded by Councilmember Wagner to reappoint Robert Cheek, Pat McCrary, Ralph Stenzel, Joe Carothers, Ted Gillis, and Rusty Norman and to appoint Paul Shelley as members to serve on the City of Santa Fe Section 4B Economic Development Corporation Board of Directors for a two-year term to expire June 14, 2015. The motion passed the roll call vote unanimously.

7. Consideration and possible action: Appointment/reappointment of members to serve on the Planning and Zoning Commission for a three-year term to expire May, 2016

Community Services Director Diana Steelquist said two commission members have a term that will expire this month, but each have agreed to continue to serve if reappointed by Council. Motion by Councilmember McCrary, seconded by Councilmember Wagner to reappoint Winnie Corsaro and Dorothy Bello as members to serve on the Planning and Zoning Commission for a three-year term to expire May, 2016. The motion passed the roll call vote unanimously.

8. Discussion: Leasing of city-owned property for the installation of a new communication tower

Community Services Director Diana Steelquist said the city has been approached by Broadus Services, a land acquisition group, for placement of a communication tower next to the community center. The land group has identified a ¼ mile target area along Hwy. 6 that could use a tower to boost signals from other existing towers, and the city's property on Beriton is within the target area. The group has provided a sample lease agreement for our review, and they are proposing to lease a portion of the land for the installation of a windload-certified, 150' monopole (no wires) tower. More towers are needed because of increases in consumer data usage. Council asked staff to survey the height of other towers in our area. This item will be further considered at a future meeting of the City Council.

9. Consideration and possible action: Awarding contract for bank depository services for a three-year term beginning June 1, 2013, through May 31, 2016, and authorizing the Mayor to execute the contract

City Manager Joe Dickson said the city's bank depository contract will expire on May 31, 2013. Proposals for depository services were submitted by Texas First Bank, Prosperity Bank, and Amegy Bank. The proposals have been evaluated by staff based upon the terms of services offered, the security of funds

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deposited, interest rates, and the convenience of physical location. The proposal submitted by Texas First Bank is more advantageous to the city, due primarily to the fees waived, services offered, physical proximity of location, and established working relationship. Other aspects of the proposals provided by Texas First Bank and Prosperity Bank were extremely comparable. Amegy Bank's proposal included numerous fees for account services and EDC funds are not eligible for collateralization by a national bank. Mrs. Renee Rockers, representing Texas First Bank, was available for any questions. Motion by Councilmember Wagner, seconded by Councilmember Carothers to award the contract for bank depository services to Texas First Bank for a three-year term beginning June 1, 2013, through May 31, 2016, and authorizing the Mayor to execute the contract. The motion passed the roll call vote unanimously.

10. Consideration and possible action: Authorizing Mayor to execute Resale Deed conveying Lots 3 and 4, Alta Loma Townsite, Galveston County, Texas, (tax acct #1100-0032-0003-000) to D & D Brothers, LLC

City Manager Joe Dickson said Council approved the sale of tax-foreclosed properties in December, 2012. However, the prospective buyer of one of the properties never came up with the money to purchase the land, and another offer has been received. Approval of the sale to the new perspective buyer is necessary to complete the transaction. Motion by Councilmember McCrary, seconded by Councilmember Tambrella to authorize the Mayor to execute Resale Deed conveying Lots 3 and 4, Alta Loma Townsite, Galveston County, Texas, (tax acct #1100-0032-0003-000) to D & D Brothers, LLC. The motion passed the roll call vote unanimously, with Councilmember Wagner abstaining because she is related to the buyer.

11. 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 the city offers two types of optional exemptions, \$15,000 and tax freeze, for the city's property taxpayers who are disabled individuals and individuals age 65 and older. This resolution will authorize the continuance of these exemptions for the upcoming tax season. Motion by Councilmember Carothers, seconded by Councilmember Wagner 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.

Announcements: None

Summary of action from this agenda, request for future agenda items, and scheduling future meetings
The next regular meeting is tentatively scheduled for June 13, 2013.

Motion by Councilmember Jannett, seconded by Councilmember Carothers to adjourn. The motion passed and the meeting adjourned at 7:50 p.m.

RALPH STENZEL, MAYOR

ATTEST:

Janet L. Davis, City Secretary